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CITY OF SIERRA MADRE

2000-2005 Housing Element

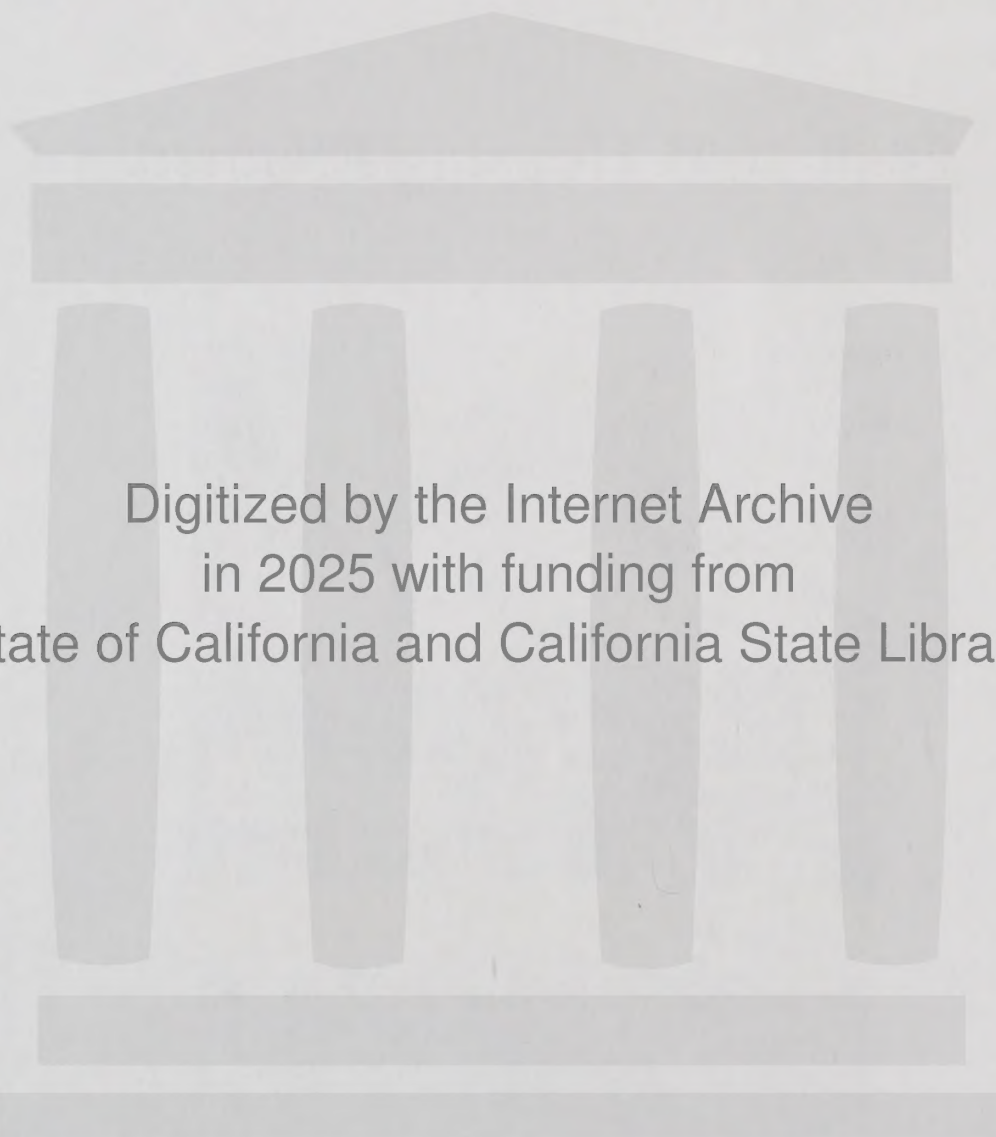


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A RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF SIERRA MADRE AMENDING THE
SIERRA MADRE GENERAL PLAN BY REVISING THE
UPDATED HOUSING ELEMENT OF 2000
(GPA 03-01)

THE CITY COUNCIL OF THE CITY OF SIERRA MADRE DOES HEREBY
RESOLVE:

WHEREAS, State law requires the City of Sierra Madre to update the General Plan's
Housing Element every five years and the Housing Element is due to the State Department of
Housing and Community Development;

WHEREAS, The Housing Element was prepared in accordance with Government Code
Sections 65583 through 65585;

WHEREAS, The Housing Element is consistent with all of the other existing Elements
of the City's General Plan;

WHEREAS, the Planning Commission held a workshop on September 19, 2002, and the
City Council held a workshop on October 14 2002, to receive and consider public testimony;

WHEREAS, A notice of the March 6, 2003, Planning Commission public hearing
describing the project, date, time and location of the hearing has been duly advertised in the
Sierra Madre Mountain Views;

WHEREAS, the Planning Commission held a public hearing on March 6, 2003, to
receive and consider public testimony;

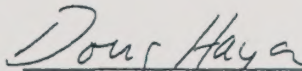
WHEREAS, A notice of the March 20, 2003, City Council public hearing describing the
project, date, time and location of the hearing has been duly advertised in the Sierra Madre
Mountain Views;

WHEREAS, the City Council held a public hearing on the revised draft Housing
Element on March 20, 2003, where the recommendations of the Planning Commission and
public testimony was considered, as well as comments received from the State of California
Housing and Community Development staff; and,

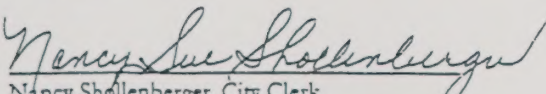
NOW THEREFORE, in consideration of the evidence received at the hearing, and for
the reasons discussed by the City Council at said hearings, the City Council DOES HEREBY
RESOLVE to approve the revised 2000 Housing Element Update and supporting material and
adopt a Negative Declaration pursuant to the Attachments A and B.

PASSED, APPROVED and ADOPTED, this 24th day of March, 2003 by the following vote:

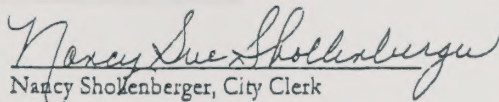
AYES:	Mayor, Doug Hayes, Mayor Pro Tem, Bart Doyle, Councilmembers
NOES:	George A. Maurer, Robert "Rob" Stockly and Tonja Torres
ABSTAIN:	None
ABSENT:	None


Doug Hayes, Mayor
City of Sierra Madre

ATTEST:


Nancy Shollenberger, City Clerk

I, NANCY SHOLLENBERGER, CITY CLERK OF THE CITY OF SIERRA MADRE, hereby certify that the foregoing Resolution was adopted by the City Council of the City of Sierra Madre at a regular meeting held on the 24th day of March, 2001.


Nancy Shollenberger, City Clerk

Attachment A: Housing Needs Assessment Report

Attachment B: Housing Element Goals, Policies and Programs

Attachment C: 1995-2005 Housing Objectives

Attachment D: Public Participation

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Attachment A	Housing Needs Assessment Report
Attachment B	Housing Element Goals, Policies and Programs
Attachment C	1998-2005 Housing Objectives
Attachment D	Public Participation

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INTRODUCTION ASSESSMENT

The Housing Element is one of seven state-mandated elements of the General Plan. The Housing Element contains a comprehensive list of information regarding housing needs and the existing housing stock as presented in the Housing Needs Assessment. Section 65583(a)(2) of the Housing Element Law states that the housing element must contain an "analysis and documentation of household characteristics, including level of payment compared to ability to pay, housing characteristics, including overcrowding, and housing stock condition." The Housing Needs Assessment fulfills this requirement.

The Housing Needs Assessment provides background information on the housing needs and conditions in the City in order to prepare goals and policies that will adequately meet the needs of the community. The data presented in the Housing Needs Assessment will not only guide the development of housing goals and policies, but will also be integrated into the body of the Housing Element to present the current status of housing and housing related issues in Sierra Madre.

This assessment is organized into four data sections. The first section focuses on demographic information such as population size, ethnicity, age, household type, income, employment, housing characteristics, general housing needs by income, and special housing needs for specialized segments of the population. This first section basically outlines the characteristics of the community, and identifies those characteristics that may have significant impacts on housing need in the community.

The second section identifies the City's resources, the historic development pattern and areas of housing opportunity in the community. It also identifies special housing and other resources that are characteristic of the City and provide opportunity and potential constraints to housing growth and maintenance in Sierra Madre.

The next section discusses the governmental and non-governmental constraints to housing development in the City. The City has building standards that can limit the amount or location of housing in certain areas or can result in fees that make certain types of housing infeasible. In addition, there are environmental constraints that cause housing limitations. Non-governmental constraints such as the housing market, financing, and construction costs also limit housing growth in Sierra Madre.

The final section of the Needs Assessment discusses opportunities for energy conservation, which can reduce homeowner costs and infrastructure costs to the City. With a reduction in basic living costs through energy savings, more households will be better able to afford adequate housing.

Combined, these sections provide an analysis and documentation of the community's characteristics and needs, and identifies potential constraints to meeting the community's needs adequately.

HOUSING NEEDS ASSESSMENT

POPULATION CHARACTERISTICS

Population

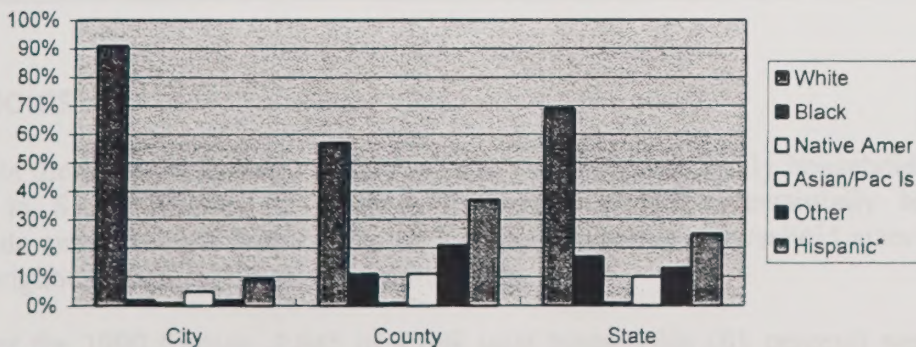
Sierra Madre has not experienced substantial population growth for several decades as it is a largely “built-out” community. Changes in household composition related to age and the percentage of households with children have had a greater influence on Sierra Madre’s population than growth from new development. The City’s population peaked about 1970, when the U.S. Census recorded 12,140 residents. Between 1970 and 1990, the number of residents began to gradually decline, to 10,762 in 1990. This decline resulted from a combination of little new residential development and a decrease in the number of families with children. Since 1990, the City’s population has increased about eight percent, less than half the growth rate of (19 percent) for Los Angeles County overall. According to the California Department of Finance, the City’s population was 11,700 as of January 1, 2000.

Ethnicity

Sierra Madre is not as ethnically diverse a community as other cities in Los Angeles County or as the state as a whole. While persons of Hispanic origin comprise over one-third of the countywide population and over one-fourth of the statewide population, such individuals comprise less than ten percent of the City’s population. Similarly, Blacks, persons of Asian origin, and other minority groups that represent large segments of the countywide and statewide populations comprise five percent or less each of the city’s population. Figure 1 compares ethnicity on a citywide, countywide, and statewide basis.

Figure 1

Comparison of Race by City, County, and State Population



Source: 1990 Census

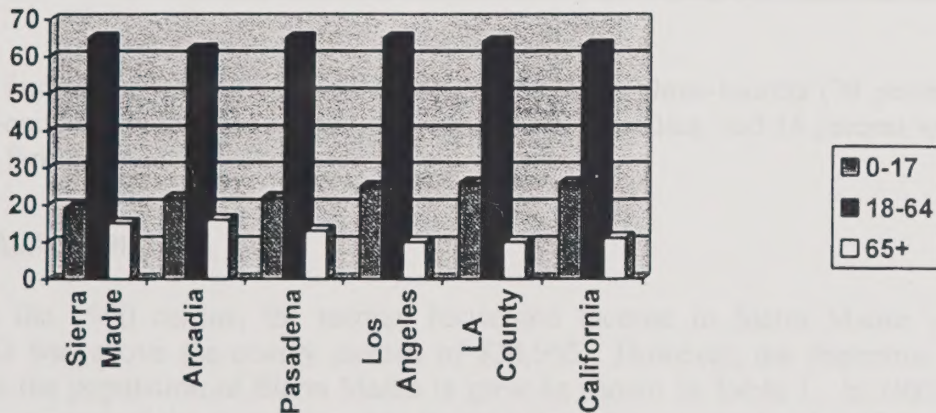
*Population of Hispanic origin is not a racial category and is included as a percentage of the other population groups.

Age

Several factors contribute to the slow growth rate in Sierra Madre, including a smaller percentage of families with children and a greater percentage of older adults. As a result, the City's median age is higher than in many neighboring communities, the county, and the state. Figure 2 compares the age distribution as reported by the Census Bureau in 1990. Since 1990, Sierra Madre has experienced a small population increase primarily related to changes in household size and composition. Enrollment statistics from the Pasadena Unified School District suggest that the number of households with school age children has increased in Sierra Madre. The District reported about 2,000 students living in Sierra Madre during the 1999-2000 school year. Although only 500 students attend District schools in Sierra Madre, students living in Sierra Madre attend District schools outside of the City.

Figure 2

Age Distribution (percent)



Source: 1990 Census

Households

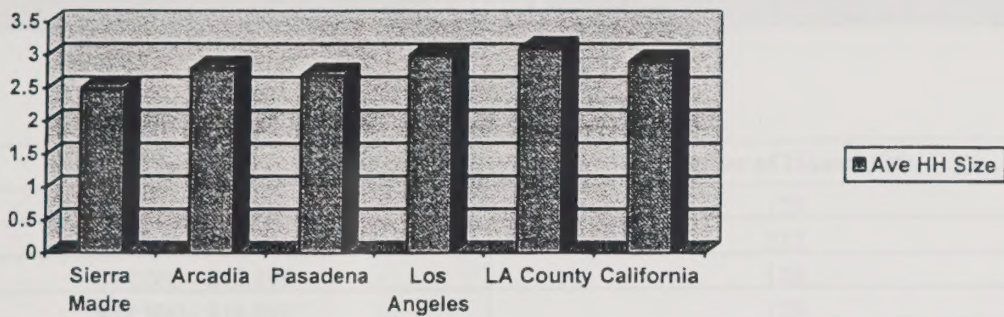
Because of the larger percentage of seniors, non-families, and family households without children in Sierra Madre, the average household size is substantially below the countywide and statewide levels. Figure 3 compares average household sizes in Sierra Madre, neighboring cities, the region, and the state.

At time of the 1990 Census, 2,845 of 4,659 total households (61 percent) were family households comprised of related individuals. About two-thirds of all households (66 percent) of all households consisted of one or two individuals. The large number of non-

family households and households further illustrate the reasons for the smaller average household size in Sierra Madre.

Figure 3

Average Household Sizes (2000)



Source: California Department of Finance

Of the 2,845 families reported in Sierra Madre in 1990, over three-fourths (79 percent) were married-couple families, six percent were single-male families, and 14 percent were single-female families.

INCOME CHARACTERISTICS

According to the 1990 census, the median household income in Sierra Madre was \$46,502. This was above the county median of \$34,965. However, the dispersion of income within the population of Sierra Madre is great as shown in Table 1. In 1989, a little over five percent of the population was living below the poverty level, which is a small percent compared to neighboring cities in the region. Of the individuals in households with incomes below the poverty level, 16 percent were senior citizens, 55 percent were adults between the ages of 18 and 64, and 29 percent were children under the age of 17.

In evaluating income levels, four standard measures are often used: "very low-income," "low-income," "moderate-income," and "above moderate-income." These income levels are expressed as a percentage of the area median income (the mid-point at which half of all households earn more and half earn less) and are usually adjusted for household size. Thus, a "low-income" household of four has a higher income than a "low-income" household of two. The percentages of median income for each income level are shown below:

INCOME DEFINITIONS

"Very low-income" = 50% or less of the Los Angeles County median income.

"Low-income" = 51% to 80% of the Los Angeles County median income.

"Moderate-income" = 81% to 120% of the Los Angeles County median income.

"Above Moderate-Income" = 121% or more of the Los Angeles County median income.

Table 1

1989 Household Income

Income	Number of Households
Less than \$5,000	123
\$5,000 - \$9,999	232
\$10,000 - \$12,499	128
\$12,500 - \$14,999	128
\$15,000 - \$17,499	148
\$17,500 - \$19,999	113
\$20,000 - \$22,499	179
\$22,500 - \$24,999	99
\$25,000 - \$27,499	178
\$27,500 - \$29,999	122
\$30,000 - \$32,499	151
\$32,500 - \$34,999	96
\$35,000 - \$37,499	142
\$37,500 - \$39,999	103
\$40,000 - \$42,499	175
\$42,500 - \$44,999	120
\$45,000 - \$47,499	154
\$47,500 - \$49,999	177
\$50,000 - \$54,999	177
\$55,000 - \$59,999	228
\$60,000 - \$74,999	407
\$75,000 - \$99,999	635
\$100,000 - \$124,000	343
\$125,000 - \$149,999	127
\$150,000 or more	174

Source: 1990 Census

In a normally distributed population (that is, one not skewed to either end of the income scale), approximately 40 percent of the population will have incomes within the very low- and low-income ranges, about 20 percent within the moderate-income range, and about 40 percent in the above moderate-income range. Sierra Madre has a larger relative percentage of above moderate-income households and a smaller percentage of low-

income households in relation to the countywide income distribution. Table 2 shows the number of residents in each income group in 1990. Figure 4 shows that nearly half (47 percent) of Sierra Madre residents had above moderate incomes in 1990, while only one-fourth (24 percent) had very low or low incomes. Although there has been no update of a citywide census since 1990, economic trends, such as rising home prices, suggest that households who have moved to Sierra Madre since 1990 have higher average incomes than current residents. If the 2000 Census confirms this hypothesis, then the gap between countywide incomes and incomes among Sierra Madre residents has widened further.

Table 2

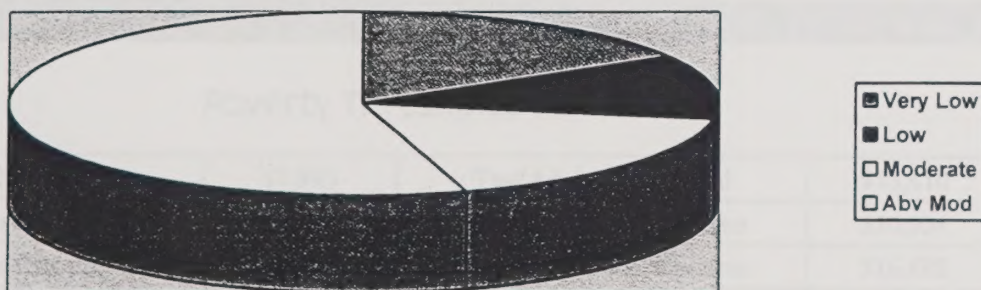
1989 Household Income per Income Category

Income Category	Income Range	# of Households (roughly)
Very Low Income	\$0-\$17,483	759
Low Income	\$17,484-\$27,972	569
Moderate Income	\$27,972-\$41,958	789
Above Moderate Income	\$41,959+	2,542
Median Income: \$34,965		

Source: 1990 Census

Figure 4

1989 Income Distribution



Source: 1990 Census

Low-income limits for households in 2000 are shown in Table 3. An income below \$29,200 for a single person was considered low-income according to HUD. An income

of \$55,000 for an eight-person household was also considered low-income. The median income level for a four-person household was approximately \$52,100.

Table 3

Income Limits (2000)

Household Size	Extremely Low Income (30% of Median)	Very Low Income (50% of Median)	Low Income (80% of Median)
1 Person	\$10,950	\$18,250	\$29,200
2 Persons	\$12,500	\$20,850	\$33,350
3 Persons	\$14,050	\$23,450	\$37,500
4 Persons	\$15,650	\$26,050	\$41,700
5 Persons	\$16,900	\$28,150	\$45,000
6 Persons	\$18,150	\$30,200	\$48,350
7 Persons	\$19,400	\$32,300	\$51,700
8 Persons	\$20,650	\$34,400	\$55,000

Source: HUD 2000 Income Guidelines.

Poverty

The poverty rate is a federally defined level of income for minimum subsistence. The dollar threshold for poverty is adjusted for household size and composition. Table 4 provides 1995 poverty thresholds for several types of households:

Table 4

Poverty Thresholds (1999)

Single Person 65+	\$7,990	Two Adults, One Child	\$13,410
Single Person Under 65	\$8,667	One Adult, Three Children	\$16,954
Two Persons 65+	\$10,070	Two Adults, Two Children	\$16,895
Two Persons Under 65	\$11,156	One Adult, Four Children	\$19,578
One Adult, Two Children	\$13,423	Two Adults, Three Children	\$19,882

Source: U. S. Census Bureau

According to 1990 Census data, approximately five percent of the City's population had incomes below the federally defined poverty level. Groups most likely to have poverty level incomes families with children (particularly single mothers) and the elderly. 1999 low-income limits for households is shown in Table 5. Of those below the poverty level, 87 percent were White, 5 percent were Black and Asian/Pacific Islander, and 1 percent

were Native American and Other. The racial composition of people below the poverty level is not similar to the racial composition of the City as a whole, as higher proportions of Blacks, Hispanics, and Native Americans are impoverished. The highest number of impoverished Whites, Blacks, Asian/Pacific Islanders and Others were adults age 18 to 64. The highest numbers of impoverished Native Americans were age 75 and older.

By comparison, 15 percent of the County's population was below the poverty level. About 40 percent of the impoverished were White, compared to a total White population of 57 percent. Asian/Pacific Islanders and Native Americans comprised about the same percentages of impoverished individuals as their representation in the total population (10 percent and less than one percent respectively). Although Blacks comprised 11 percent of the total population, they represented 16 percent of the impoverished. Likewise, Other ethnicities represented 21 percent of the total population, but 34 percent of all impoverished persons in the County.

Census data for the State revealed that approximately 18 percent of the total population were below the poverty level. Nearly two-thirds of those below the poverty level (64 percent) were White, 17 percent other, 11 percent Black, 7 percent Asian/Pacific Islander, and 1 percent Native American. Blacks and others in the State represented a higher percentage of people below the poverty level than Whites and Asian/Pacific Islanders. Approximately 57 percent of people below the poverty level in the City were age 18 to 64, and 29 percent were children age 17 and younger. The majority of these children were school age (between ages five and 17). Female householders represent 44 percent of all families below the poverty level. Female householders with children age 17 and younger represent 36 percent of all families below the poverty level. Thirteen percent of all impoverished persons were age 65 or older, and most (96 percent) were White.

Table 5

Poverty Rates

Group	Above Poverty Level	Below Poverty Level	Poverty Rate
Elderly	1,461	89	6%
Non-Elderly	8,644	470	5%
Single Mother Families	370	42	10%
Non-Single Mother Families	2,389	44	2%
Children	1,907	161	8%
Adults	8,198	398	5%
Black	133	30	18%
Asian/Pacific Islander	519	29	5%
Hispanic	911	57	6%
Native American	42	7	14%
Other	180	6	3%
White	9,231	487	5%

Total Population	10,105	559	5%
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Source: 1990 Census Bureau Data.

EMPLOYMENT TRENDS

A majority of the residents of Sierra Madre work in other parts of metropolitan Los Angeles as there are few opportunities outside of service and retail employment within the City itself. A mixed-use commercial and manufacturing area within the city of only 38.8 acres limits employment growth. Nearby surrounding communities such as Arcadia and Pasadena have more potential for employment growth because of their economic bases, which stimulates more associated regional housing demand. They also encompass a larger land area, providing more opportunity for economic expansion and revenue growth. In 1989, Economics Research Associated prepared An Economic Development Strategy for the Central Business District of the City of Sierra Madre, and presented various types of growth the City can expect to succeed in Sierra Madre. This data was then used to prepare the Strategic Plan for Economic Development for the City. The ERA report and the Specific Plan found that the City is not a viable site for large retail centers or other businesses because the City is geographically constrained and residents do not wish to have such growth in their community. Financial services and auto services are experiencing and industry-wide consolidation and will not provide future growth opportunities for the City. The City does lend itself as an ideal location for restaurants and dinner houses as well as community specialty shops and local grocery/drug stores. Additional opportunities listed in the Strategic Plan include arts and crafts, outdoors related businesses, bookstores, coffee shops, film related facilities, bed and breakfast establishments, and City park recreational and reception facilities.

Employment opportunities have increased as the unemployment rate has dropped to 1.7 percent as of March 2000 (California Employment Development Department, Labor Force Data, April 12, 2000). The unemployment rate in Sierra Madre has been low historically in comparison to other areas of the County and the rest of the United States. Even during the early 1990s at the depth of California's recession, unemployment in Sierra Madre was relatively low (about 3). The labor force actually declined between 1991 and 1994, likely due to the negative population growth in the City at that time. Now, the labor force is once again rising, but is only slightly larger than it was in 1990 (6,160 in 1990 compared to 6,410 in 2000). Because a large percentage of the population is of retirement age, the unemployment rate and total labor force remain low.

The 1990 Census data shows that most residents were employed in managerial and professional specialty occupations (47 percent of employed residents). Other common occupations included administrative support (15 percent) and sales occupations (11 percent).

According to the State Employment Development Department (EDD) 1995-2002 projections data for Los Angeles County, the largest occupations in the County are general management, general office clerks, and retail sales. Approximately 330,440

people were employed in these occupations in 1995, with a projected growth in 2002 to 362,140. The fastest growing occupations in the County between 1995 and 2002 are expected to be textile workers (72 percent growth), manicurists (66 percent), and data processors (55 percent).

However, even with growth, the number of people employed in each of these occupations is far below the number of people working in retail and general management/clerical positions. For example, it is projected that there will be 2,430 textile machine operators in 2002, while there will be openings for an additional 36,110 retail salespersons. A number of white-collar office jobs, such as bank tellers and typists, will experience decline between 1995 and 2002 due to changing technologies and computerization. Various technical professions will also experience decline, including butchers and postal machine operators, due to mechanization and technological advances. The City of Monrovia estimates that as of 1995, occupations in the City were 19 percent executive/management, 18 percent administrative, 17 percent professional, 15 percent sales, 7 percent service oriented, 4 percent technical, and 2 percent labor. Therefore, there is a balance between high paying executive positions and lower paying sales and clerical positions.

One measure of local employment is the amount of retail sales activity. Figures from the Board of Equalization show that taxable sales in Sierra Madre are low compared to most other cities in Los Angeles County. In 1997, taxable retail sales in Sierra Madre totaled \$11,048 per capita, while all taxable sales totaled \$15,350 per capita. In 1998, per capita taxable retail sales dropped to \$10,909 while total taxable sales increased to \$16,405. Comparison between the first two quarters of 1998 and 1999 shows that per capita taxable retail sales increased in 1999 by approximately \$1,000, but total taxable sales decreased by over \$1,000. However, the 1999 figures do not represent the year as a whole, and do not account for possible gains and losses that occurred later in the year.

In analyzing the gap in unemployment rates between the City and County, it is important to look at education attainment levels, disabilities within the population, and numbers of persons receiving public assistance. Table 6 shows that over three-fourths of adults (76 percent) in the City attained additional education after high school, well above the County's 49 percent. Less than one-tenth of adults in Sierra Madre had less than a high school education, compared to approximately 30 percent of adults countywide. Such residents typically have fewer employable skills, which can lower employment rates. However, this does not appear to be an obstacle in Sierra Madre.

Table 6

Educational Attainment

Educational Level	City Population	Percent of Population	County Population	Percent of Population
Less than 9 th Grade	228	3%	853,988	16%
9 th to 12 th Grade – No Diploma	413	5%	788,825	14%

CITY OF SIERRA MADRE
HOUSING NEEDS ASSESSMENT

High School Graduate (or GED)	1,272	16%	1,134,608	21%
Some College – No Degree	1,888	24%	1,077,427	20%
Associate Degree	998	12%	402,932	7%
Bachelor's Degree	1,858	23%	793,556	14%
Graduate or Professional Degree	1,330	17%	429,886	8%

Source: 1990 Census Bureau Data; Educational
Attainment for persons 25 years and over.

Few Sierra Madre residents receive public assistance are not part of the labor force. In the City of Sierra Madre, 158 households (3 percent) received public assistance in 1989 according to the 1990 Census. About 294,826 households (10 percent) in the County received public assistance in 1989.

A review of business license records indicates that business uses have been relatively stable in Sierra Madre, and no substantial change in employment has occurred since the early 1990s. There are 795 businesses licensed by the City of Sierra Madre. Approximately four are delivery vehicle businesses, four are professionals/professional services, five are manufacturing businesses, 36 are services and other businesses, 43 contractors, 119 are income property/rental businesses, three are real estate agencies or brokers, 233 general fixed places of business, and 264 are home occupations. The majority of businesses are small, locally-owned establishments. The City does not expect a substantial local increase or change in business activity between 2000 and 2005 that would have major implications for employment and housing demand.

REGIONAL HOUSING NEEDS ASSESSMENT (RHNA)

The State Housing Law requires the Southern California Association of Governments (SCAG) to identify existing and future housing needs for the region every five years. The 1998 RHNA identifies each jurisdiction's Existing Housing Need, as of January 1, 1998, and Future Housing Need for the July 1, 1998 to July 1, 2005 period.

Existing need is evaluated based on overpayment by lower income households (SCAG has used the figure 30 percent or more of income) and the need to raise vacancy rates in the jurisdiction to a level at which the market would operate freely.

The methodology used to determine the future need took into consideration the growth in number of households expected, the need to achieve ideal vacancy rates, and compensation for anticipated demolition. Then an "avoidance of impaction" adjustment was done. This is done to avoid further concentration of low-income units in jurisdictions that have more than the regional average.

The City must use the numbers allocated under the RHNA to identify measures (policies and ordinances) that are consistent with meeting these new construction goals. They are not meant to be a quota for development. In other words, the City must make it possible for units to be built but is not obligated to build any of the units. According to the

RHNA, the City of Sierra Madre has a total housing construction need of 89 units and an annual need of 12 units. Sierra Madre's 1998-2005 planning period allocation is as follows:

15 units	17%	Very Low Income:	Household income is less than 50% of the county median income.
13 units	15%	Low Income:	Household income is between 51% and 80% of the county median income.
17 units	19%	Moderate Income:	Household income is between 81% and 120 % of the county median income.
44 units	49%	Above Moderate Income:	Household income is greater than 120% of the county median income.

Income limits are established by the U.S. Department of Housing and Urban Development (HUD) annually and published by the State Office of Housing and Community Development. The most recent income limits were effective as of March 9, 2002 and the Los Angeles County numbers are as follows for a four-person household:

Extremely Low Income	30% of the median	Up to \$16,530 a year
Very Low Income	30% to 50% of the median	Between \$16,531 and \$27,550 per year
Low Income	50% to 80% of the median	Between \$27,551 and \$44,100 per year
Moderate Income	80% to 120% of the median	Between \$41,101 and \$66,100 per year
Above Moderate Income	Above 120% of the median	Greater than \$66,101 per year
2002 Median Income	\$55,100	

Housing constructed since January 1998 can be credited towards the City's regional housing needs for the 1998–2005 period. According to building permit records, a total of 14 net new single-family and 6 new condominium units were built between 1/1998 – 8/2002. All these 20 new units were market-rate ownership units, and therefore address the City's need for 44 above moderate income units. Crediting these 20 units towards the City's total construction need for 89 units leaves an outstanding RHNA of 69 units.

SIERRA MADRE HOUSING PROFILE

According to the California Department of Finance, approximately 241 housing units were vacant in 1999, a vacancy rate of 4.9 percent. By comparison, the countywide vacancy rate was 5.5 percent. The proportion of different types of housing countywide remained constant between 1990 and 1999—48 percent single detached houses, 35 percent multiples of five or more units, nine percent multiples of two to four units, seven percent single attached houses, and two percent mobile homes. Over two-thirds of the City's housing units were single family detached homes (69 percent), followed by multiple units of five or more (17 percent), multiple units of two to four (8 percent), single-family attached units (6 percent), and mobile homes (less than one percent). Countywide, there is a substantially higher percentage of housing units in multifamily buildings of five or more units and a substantially lower percentage of single family homes than in Sierra Madre

Annual changes in the housing stock varied considerably, with some years resulting in a majority of single-family units and other years resulting in a majority of larger multi-family complexes. Still other years, notably 1992 and 1994 resulted in no growth and even some losses in total units. Tables 7 and 8 show the annual changes in the housing stock between January 1990 and January 1999 as determined by the California Department of Finance.

Table 7

Housing Estimates for the City of Sierra Madre (1990 through 1999)

Year	Housing Units								Persons Per Household
	Total	Single		Multiple		Mobile Homes	Occupied	% Vacant	
1990	4,868	3,366	290	373	834	5	4,629	4.9	2.3
1991	4,876	3,368	290	373	840	5	4,637	4.9	2.3
1992	4,875	3,367	290	373	840	5	4,636	4.9	2.3
1993	4,885	3,375	290	373	840	5	4,643	4.9	2.3
1994	4,883	3,375	290	373	840	5	4,643	4.9	2.3
1995	4,889	3,381	290	373	840	5	4,649	4.9	2.4
1996	4,897	3,383	290	373	846	5	4,657	4.9	2.4
1997	4,901	3,387	290	373	846	5	4,661	4.9	2.4
1998	4,913	3,393	296	373	846	5	4,672	4.9	2.4
1999	4,918	3,392	296	373	852	5	4,677	4.9	2.5

Source: California Department of Finance, 1990-1999 City/County Population and Housing Estimates.

Table 8

Housing Estimates for the County of Los Angeles (1990 through 1999)

Year	Housing Units								Persons Per Household
	Total	Single		Multiple		Mobile Homes	Occupied	% Vacant	
1990	3,163,310	1,538,020	207,625	281,104	1,080,832	55,729	2,989,521	5.5	2.9
1991	3,187,015	1,546,524	208,911	282,199	1,093,632	55,749	3,011,050	5.5	2.9
1992	3,207,064	1,552,149	209,806	283,344	1,105,930	55,835	3,030,855	5.5	2.9
1993	3,220,587	1,557,643	210,850	284,201	1,112,200	55,693	3,043,212	5.5	3.0
1994	3,228,941	1,561,809	211,199	284,976	1,115,195	55,762	3,050,136	5.5	3.0
1995	3,236,015	1,565,604	211,735	285,253	1,117,748	55,675	3,056,633	5.5	3.0
1996	3,240,625	1,569,180	211,833	285,540	1,118,397	55,675	3,060,760	5.5	3.0
1997	3,247,140	1,573,157	212,004	285,978	1,120,323	55,678	3,067,181	5.5	3.0
1998	3,254,772	1,578,157	212,114	286,193	1,122,604	55,704	3,074,546	5.5	3.0
1999	3,261,750	1,583,123	211,800	286,379	1,124,742	55,706	3,082,136	5.5	3.1

Source: California Department of Finance, 1990-1999 City/County Population and Housing Estimates.

Housing Occupancy and Tenure

Of the 4,868 year-round dwelling units reported by the Census Bureau in 1990, 4,629 units (95 percent) were occupied and 239 units (5 percent) were vacant. Most of the vacant units were for rent, as shown on Table 9. In 1990, more housing units were owner occupied (2819, or 61 percent) than renter occupied (1810, or 39 percent). By comparison, the tenure of occupied housing units in the County was 48 percent owner-occupied units and 52 percent for renter-occupied units. Because of the substantially lower percentage of lower-income residents in the City, most City residents face fewer financial barriers to homeownership compared to County residents. However, as prices rise, it becomes more difficult for lower-income residents to afford homeownership.

Table 9

Type of Vacant Units in Sierra Madre (1990)

Unit	Number of Units in City	Number of Units in County	Percent of City Vacant Units	Percent of County Vacant Units
For Rent	100	96,465	42%	62%
For Sale Only	45	27,721	19%	18%
Seasonal Use	6	6,430	3%	4%
Other Vacant	88	24,531	37%	16%

Source: 1990 Census Bureau Data.

Analysis of tenure by ethnicity (Table 10) reveals that homeownership among White households far exceeds that of minority households. This disparity is largely a function of income, as minority households include a higher percentage of lower-income individuals.

Table 10

Tenure by Race and Hispanic Origin (1990)

Race	City	Percent	County	Percent
Owner Occupied Units				
White	2,501	89%	903,563	63%
Black	27	1%	125,578	9%
Native American	5	<1%	4,089	<1%
Asian/Pacific Islander	127	5%	138,906	10%
Others	0	0%	1,747	<1%
Hispanic Origin	159	6%	266,981	19%
Renter Occupied Units				
White	1,600	88%	692,834	45%
Black	34	2%	216,051	14%
Native American	0	0%	6,848	<1%
Asian/Pacific Islander	20	1%	129,590	8%
Others	0	0%	2,888	<1%
Hispanic Origin	156	9%	500,477	32%

Source: 1990 U.S. Census Bureau Data.

Ownership rates listed in Table 11 reveal that, with the exception of Blacks and Hispanics, there were more owners in each ethnic group than renters. However, slightly higher or equal percentages of Blacks and Hispanics rented than owned, suggesting that they may have difficulty becoming homeowners due to their relatively lower incomes. Native Americans had the highest rate of homeownership (but there were very few of these households in the City in 1990), followed by Asian/Pacific Islanders and Whites.

Table 11

Homeownership Rates

Race	Owners	Renters	Ownership Rate	Rental Rate
White	2,501	1,600	61%	39%
Black	27	34	44%	56%
Native American	5	0	100%	0%
Asian/Pacific Islander	127	20	86%	14%
Other	0	0	0%	0%
Hispanic Origin	159	156	50%	50%

Source: 1990 U.S. Census Bureau Data.

Housing Costs

Rental Rates

Rents are higher in the city of Sierra Madre than in many nearby communities. Higher housing costs are consistent with a population of substantially more upper-income residents. A few units are available at rates affordable to very low-income individuals or families. For example, a person with an income of \$25,650 (a low-income level for a single individual in 2000) could spend up to \$641 a month on an apartment, which is approximately 30 percent of their income. A sample of apartment complexes in the City revealed that the average one-bedroom unit was around \$650 per month. Two-bedroom units in Sierra Madre range between \$875 and \$950 per month, while three-bedroom apartment units average \$1,300 per month. Other types of rental units in the City were slightly higher in cost than the average apartment complex unit. Table 13 lists various rental rates of apartment complexes and other rental units in the City.

Table 13**Rental Rates in Sierra Madre (2000)**

Type	Studio	1 Bed	2 Bed	3 Bed
Apartment	\$435	\$650	\$875	\$1,300
	\$465	\$850	\$950	
Home		\$850	\$1,295	
		\$1,100	\$1,300	
Condominium		\$625		\$1,595
Room		\$400		
		\$650		

Source: San Gabriel Valley Tribune

Home Prices

Table 14 lists prices of homes sold between 1998 and 1999. The highest percentage of homes were three-bedroom single-family units, followed by two-bedroom single family units. As expected, condominiums and townhomes were generally less costly than single-family homes. The California Association of Realtors lists the median housing prices for the County as of March 2000 as \$202,350. The median price increased in the County over the past year by 5.4 percent.

Table 14

Home Prices in Sierra Madre (1998-1999)

	Bedrooms	Units Sold	Median	Average	Range	% of Total
Single Family Homes						
	1	12	\$175,000	\$201,170	\$83,000-\$334,000	4%
	2	85	\$290,000	\$294,880	\$54,500-\$599,000	32%
	3	100	\$362,500	\$364,000	\$140,000-\$750,000	37%
	4	56	\$440,000	\$501,285	\$235,000-\$1,165,000	21%
	5+	15	\$590,000	\$669,000	\$318,500-\$1,185,000	6%
Total	--	268	--	--	--	100%
Multi-Family Homes/Condominiums						
	1	1	\$100,000	\$100,000	\$100,000	2%
	2	33	\$215,000	\$208,372	\$112,500-\$320,000	69%
	3	14	\$260,000	\$258,661	\$210,000-\$312,000	29%
	4+	0	--	--	--	0%
Total	--	48	--	--	--	100%

Source: LA Times, Dataquick, April 2000.

Note: The sale of two homes priced less than \$55,000 were not counted as these two sales may represent dilapidated properties or other than "arms-length" transactions.

Table 15 compares new home prices in the County to other counties in the region. According to the table, new home prices in Los Angeles County were in the mid-range in the region. Therefore, the housing market in Sierra Madre is likely to attract moderate-income households, and in particular families. Since the City is a highly desirable place to live, few people leave, forcing up demand and cost for would be homeowners.

Table 15

Comparative Average New Home Prices (1999)

County	Average Price
San Diego	\$260,000
Ventura	\$347,000
Orange	\$318,000
Los Angeles	\$266,000
Riverside	\$195,500
San Bernardino	\$177,000

Source: Inland Empire Quarterly Report, October 1999.

Lower Income Households Overpaying

A major indicator of housing need is the relationship of household income to housing costs. The standard rule of thumb as stated in the Statewide Housing Plan is that low income households should pay no more than 30 percent of their gross incomes for housing costs. This figure is higher for other households because the cost of other necessary goods becomes a smaller percentage of the total income.

According to the 1990 Census, 557 (61 percent) of all renter households in Sierra Madre with incomes less than \$35,000 per year paid more than 30 percent of their incomes for housing. Comparatively, 223 (39 percent) of owner-occupied households with incomes less than \$35,000 per year overpaid. According to SCAG's RHNA99, there are 755 low-income households overpaying, of which 495 (11 percent of all households) are renters and 260 (6 percent of all households) are homeowners. However, of 741 low-income renter households and 624 low-income owner households, 67 percent of low-income renters and 42 percent of low-income homeowners are overpaying. Therefore, 55 percent of low-income households overpay, while only 20 percent of non-low-income households overpay.

Affordability Trends

Table 16 shows the median gross rent in relation to income in 1990 (such data is not available for 1999). According to 1990 Census Bureau data, the median gross rent was \$692 in the City and \$626 in Los Angeles County. People with very low-incomes had few affordable housing options, as only 9 percent of rental units in the City had rents below 30 percent of their income. People with low-incomes had more options than those with very low-incomes, as approximately 50 percent of all rental units were affordable to households in this category. Therefore, rental rates were fairly evenly distributed, between low-income and moderate-income groups. However, there were few units affordable to very low-income households, suggesting a need for housing assistance among the poorest of the community.

Table 16 provides an estimate of the number of affordable rental units at each income level. The percentage of apartments affordable within the low- and moderate-income groups is cumulative and include the percentage from the previous income group. Also, households of many income levels will often compete for housing in the same price range, so the existence of lower-cost units does not mean that such units are actually available to lower-income household.

Table 16**Affordability of Rental Housing in Relation to Income**

Income Group	Affordable Rent Limit	% of City Rentals	% of County Rentals
Very Low	\$440	Approximately 9%	Approximately 20%
Low	\$700	Approximately 50%	Approximately 62%
Moderate	\$1,050	Approximately 100%	Approximately 90%

Source: 1990 U.S. Bureau of Census

A household can typically qualify to purchase a home that is 2.5 to 3.0 times its annual income, depending on the down payment, the level of other long-term obligations (such as a car loan), and interest rates. In practice, the interaction of these factors allows some households to qualify for homes priced at more than three times their annual income, while other households may be limited to purchasing homes no more than two times their annual incomes. Based on the homes sold in the last year and affordability rates at 3.0 times the annual income of a four-person household, Table 17 shows that there were few homes affordable to four-person households in the very low-and low-income categories, as well as the moderate-income category. It is important to note that subsidized or assisted housing is not included in these housing costs as they are not likely to be listed in local papers.

Table 17**Sold Units Affordable to Lower-Income Households (1999)**

Income Group	Affordability Level	Homes Sold in 1998-99	Percent of All Houses Sold
Very Low-Income	\$76,950	2	1%
Low-Income	\$123,120	7	2%
Moderate-Income	\$184,680	32	10%

Source: LA Times Dataquick Home Prices, 1998-1999.

Note: Housing unit totals for low and moderate-income households are cumulative out of 316 total units sold.

Overcrowded Households

Another indicator of housing need is the percentage of households living in overcrowded conditions. Most housing analysts define overcrowding as more than one persons per room, excluding bathrooms, hallways, and service areas.

Sierra Madre has a relatively low incidence of overcrowding in 1990—only 107 households (2.3 percent) were overcrowded. Overcrowding occurred both in rental and owner-occupied housing at about the same rate. There were 39 overcrowded rental units (2.3 percent of all rental units) and 65 overcrowded owner-occupied units (2.2 percent of all owner-occupied units). Sierra Madre had the lowest incidence of overcrowding in the San Gabriel Valley.

SCAG's RHNA99 figures reveal a slightly higher rate of overcrowding in the City. Of the 4,672 households, 218 are overcrowded (4.6 percent), most of which are moderate-income households or above (73 percent of all overcrowded households). Of the 1,827 renter households, 112 (six percent) are overcrowded. Of the 2,845 owner-occupied households, 107 (four percent) are overcrowded. Of the 218 overcrowded households, 51 percent are renter households and 49 percent are owner-occupied households.

Housing Rehabilitation and Replacement Needs

While overcrowding may not be a major concern to the City of Sierra Madre, immediate needs are present in the area of housing rehabilitation. This is in part because of the geography and partly because of the age of the housing stock.

The City was settled in 1883 and incorporated in 1907. There are numerous houses still standing which date from those early years. It is a stated City goal to preserve older structures as evidenced by the establishment of a cultural heritage preservation commission. The canyon area of the City also has special characteristics. Its foothill setting proved to be a popular site for the development of bungalows that could be used as weekend retreats. Many of these small homes still stand today. The typical canyon house is constructed of river rock foundations and simple wood structures. There is a desire to preserve the older canyon structures, but the maintenance costs are higher due to the temporary, short-term nature of the original structures.

Throughout the past 93 years, the City has been limited in its growth by its natural borders and is today a city of only three square miles. Most undeveloped, virgin land is in the hillside area. It is costly to develop in the area, making development suitable for only high end, single-family housing that is sensitive to the environmental constraints of the hillside. There are some "under-developed" parcels in the City that, over time, could be subdivided for additional single- and multi-family housing.

The City of Sierra Madre has made the rehabilitation of existing housing a top priority. Windshield surveys completed for the 1973 housing element showed that there were 282 deteriorating houses and 47 dilapidated houses existing at that time. A similar survey conducted in 1991 showed that the number had greatly decreased to a combined total of 115 units. In 1995, the Building Inspector conducted a reconnaissance survey and identified 106 homes in need of repair. The 1995 survey did not identify any dwelling in need of replacement.

The problem of deteriorating housing is not one that is likely to disappear in the near future. 1990 Census figures clearly indicate that the age of Sierra Madre's housing stock should be of primary concern, as fully 31 percent of the City's housing structures were

built prior to 1940. The following table illustrates the age of Sierra Madre's dwelling units.

Table 18

Age of Sierra Madre's Housing Stock

Year Structure Built	Total	Total Occupied	Renter Occupied	%
1991-1999	50	48	N/A	1%
1980-1990	391	364	152	8%
1970-1979	439	400	183	9%
1960-1969	685	666	249	14%
1950-1959	1,233	1,191	411	25%
1940-1949	608	565	171	12%
1939 or earlier	1,512	1,443	644	31%
Total	4,918	4,677		

Source: 1990 Census, and California Department of Finance, 1990-1999 City/County Population and Housing Estimates.

According to the 1990 Census, all of the housing units in Sierra Madre are equipped with water and sewage disposal. However 20 housing units did not have heating systems, 25 housing units lacked complete plumbing facilities, and 66 housing units lacked complete kitchen facilities. Of the 25 units lacking complete plumbing, 10 were occupied by senior citizens. While this is not a large number in proportion to the overall housing stock, it does indicate a need for improving housing conditions among some low-income households.

SPECIAL NEEDS

Special housing needs arise due to physical, economic, social, or cultural characteristics or conditions that are present in a substantial percentage of the local population. These characteristics or conditions distinguish individuals from the general population and lead to housing or supportive services need that are not (or cannot) be met by the private market acting alone. Examples of special housing needs include accessibility for the mobility impaired, transitional housing for those leaving a homeless environment, and housing specifically designed for the physical and social needs of older adults.

Characteristics such as age or physical limitations may be present in a large portion of the population. It is important for the community to accommodate a variety of housing types to serve such special needs groups. For example, handicap accessible housing or units that are designed to aid the physical limitations of the elderly may be needed in a

community with a large populations of this age group. Conversely, a community may have a large population of large, low-income families that need adequately sized housing at a low cost. Affordability issues are also important to groups such as female-headed households, college students, farm workers, or military personnel. Therefore, the City needs to evaluate the types of special needs groups in order to address the special housing needs.

Elderly

As in the case in many well-established suburbs, the numbers and percentages of the elderly population is growing. Table 19 lists the population figures by age of those residents over the age of 55 and over the age of 65 during a twenty-year period. It also shows that the percentage of elderly in the overall population is increasing. According to the 1990 Census, 15 percent of the 1990 population was above the age of 65 (1,627) and 26 percent above the age of 55 (2,762).

Table 19

Pattern of Aging of the Sierra Madre Population

	1970	1980	1990
Total Population	12,140	10,837	10,762
Population 55+	2,530 (21%)	2,593 (24%)	2,762 (26%)
Population 65+	1,390 (11%)	1,418 (13%)	1,627 (15%)

Source: 1970-1990 U.S. Census

These figures indicate that there was an overall decrease in population of 11 percent, yet there was an increase in the percentage of the population over the age of 65 by 4 percent.

In 1990, the incidence of poverty was higher among the population over 65 years of age (5.7 percent) than it was for the population between the ages of 18 and 64 (4.4 percent). In contrast, older adults have a lower poverty rate in most communities (young families with children, especially single mothers, usually have the highest poverty rate). Seventy-nine persons over the age of 65 were receiving public assistance that year. In 1990, 111 homeowners age 65 and older paid 30 percent of their income or more on housing. This represented 18 percent of all elderly homeowners. However, approximately 60 percent (128 renters) of elderly renters were paying 30 percent or more of their income on housing.

Tenure is important when analyzing the needs of seniors. The percentage of seniors living in owner-occupied housing was 78 percent according to the 1990 Census, compared to 61 percent of the population at large. This can greatly reduce housing costs. However, many senior citizens live on fixed-incomes and likely face difficulty with the costs of major home repairs. In combination with mobility limitations or the need for

supportive services (such as medical or meal assistance), it can become very challenging for the elderly to adequately meet their housing needs. A more senior population living in an aged housing stock leads to a need for rehabilitation programs for existing units, as well as the creation of affordable senior housing units.

One common special need among the “frail” elderly is for care facilities that combine meal, medical, and daily living assistance in a residential environment. There are two State Department of Social Services licensed elderly care facilities (The British Home and the Lopez Family Home) that provide such supportive services with capacities ranging from six to 41 persons. The total capacity for these units is 47. In addition, the Sierra Madre Skilled Nursing Facility and the Wolf Song Residential Care Home offer senior housing assistance.

The City released a Senior Master Plan in March 2000 to identify current and future needs of resident seniors and their caregivers and the available resources that help meet these needs. The City identified the need for 12 to 15 independent living housing units, and 50 monitored living housing units. Development of the 46 unit Sierra Madre Senior Housing facility for very low and low income seniors will help address this need.

The Senior Master Plan Health and Safety sub-committee surveyed City seniors to assess what services they find helpful, not helpful, or would like to see in the future. Respondents felt that friendly home visitors, telephone reassurance, and senior day care were not desirable services, while health screening and care services were more desirable. Specific services the community's seniors are interested in include: Neighborhood Watch, medical screenings, health fairs, published resources, health and safety lectures, American Red Cross Safety classes, home safety adaptation resources, home cleaning, visiting nurses, and home security assessments. In addition seniors are interested in a variety of recreation activities such as trips, bridge and sewing clubs, art classes and appreciation outings, and a newsletter or other publicity of the existing services, activities, and local events.

The Senior Master Plan lists resources and important numbers to call and has distributed this information to local residents. The majority of resources in the City and vicinity are health services such as the Hear Center, Senior Care Network, Suicide Prevention Center and various other medical resources. There are also services such as Meals on Wheels and the Pasadena Senior Center, which offer meals, housing assistance, or other services.

The City offers a number of senior services to its residents. In addition to recreational activities, the Sierra Madre Senior Center offers lunches Mondays through Fridays, with a suggested donation of \$2.00. For those seniors who are homebound, Meals on Wheels provides lunch and dinner home delivery. These programs can significantly reduce basic living costs, allowing more freedom to those on fixed incomes. There is also an information and referral service regarding legal matters, employment sources, transportation, housing, and other opportunities. The Los Angeles County Area Agency on Aging (AAA) provides a local network to provide human services that promote independent living for older adults. The primary purpose of the AAA is to provide referral and assistance to senior citizens, including meals, personal and health care, respite care, medical counseling, tax assistance, transportation, day care, legal assistance,

telephone reassurance and other services. The AAA Senior Employment and Training program assists older workers with training, job placement, and counseling.

City Employees/Volunteer Fire Fighters

The community of Sierra Madre has identified that many City employees would have a difficult time finding affordable housing in the City. The range of salaries for non-management employees (excluding police officers) is about \$32,000 to \$38,000 per year. The average and median salaries for non-management employees are between \$34,000 and \$35,000 per year. This salary range is well below the median income for the City and within the federal low-income limit of \$37,500 for Los Angeles County. For non-supervisory police officers, annual salaries range from about \$38,000 to \$50,000 per year, which is less than moderate-income limit of about \$56,000 for Los Angeles County. The average and median salaries for non-supervisory police officers is between \$43,000 and \$44,000 per year.

It should be noted that not all City employees are in single-income households. One cannot assume that all non-management or supervisory employees are part of low-income or moderate-income households, therefore. However, many employees are in single-income households and would face difficulties in finding affordable housing in Sierra Madre.

City Employee Salaries	Low	High	Median	Average
Labor Maintenance Workers	27,192	33,060	29,424	29,892
Administration Support Staff	28,080	34,128	30,945	31,051
Professional Staff	31,860	38,714	35,124	32,998
Patrol Officers	39,540	48,078	43,596	43,740
Professional Management Staff	45,006	54,708	49,620	49,778
Police Supervisors and Detectives	47,646	57,912	52,530	52,696
Department Heads	59,604	74,196	66,300	66,700

Salaries for Employee with non-management position Salaries	Low	High	Median	Average
Labor Maintenance Workers	27,192	33,060	29,424	29,892
Administration Support Staff	28,080	34,128	30,945	31,051
Professional Staff	31,860	38,714	35,124	32,998
Patrol Officers	39,540	48,078	43,596	43,740

Statistics are not available regarding the incomes of the current volunteer firefighters. However, affordability of housing in Sierra Madre has been an obstacle in past recruitment efforts.

Large Families

Large families can have difficulty securing adequate housing because they cannot afford houses with enough bedrooms to meet their space needs. It becomes even more difficult when large families try to find adequate rentals within their budget, because rentals are typically have fewer bedrooms than ownership housing. According to the 1990 Census there were 301 households of five or more persons. Large families occupied approximately seven percent of owner-occupied households. Large families represented only 4 percent of renter households.

The median household size is currently 2.5 people per household. At the time of the 1990 Census the median household size was 2.3 people, with the largest number of households having only two persons (1,590 of 4,521). The next largest group was single person households (1,420 out of 4,629).

The number of large households in Sierra Madre that own their own homes is significantly more than the number of large households that rent. In addition, the City contains more housing units with four or more bedrooms (84 percent) than the number of large households with the need for multi-bedroom dwelling units. There is an adequate supply of dwelling units to meet the space needs of large families, therefore. There may not be enough lower cost dwelling units affordable to low-income large families, however.

The low percentage of large families combined with the low incidence of overcrowding indicates that there is not a great need for assistance for large families.

Disabled Citizens

Approximately five percent of the City's non-institutionalized residents have physical conditions that affect their ability to live independently in conventional residential settings. These individuals have mobility impairments, self-care limitations, or other conditions that may require special housing accommodations or financial assistance. Individuals with such disabilities can have a number of special needs that distinguish them from the population at large.

- Individuals with mobility difficulties (such as those confined to wheelchairs) may require special accommodations or modifications to their homes to allow for continued independent living. Such modifications are often called "handicapped access."
- Individuals with self-care limitations (which can include persons with mobility difficulties) may require residential environments that include in-home or on-site support services, ranging from congregate to convalescent care. Support services can include medical therapy, daily living assistance, congregate dining, and related services.
- Individuals with developmental disabilities and other physical and mental conditions that prevent them from functioning independently may require assisted care or group home environments.

- Individuals with disabilities may require financial assistance to meet their housing needs because a higher percentage are low-income than the population at large and their special housing needs are often more costly than conventional housing.

Some people with mobility and/or self-care limitations are able to live with their families to assist in meeting housing and daily living needs. A segment of the disabled population, particularly low-income and retired individuals, may not have the financial capacity to pay for needed accommodations or modifications to their homes. In addition, even those able to pay for special housing accommodations may find them unavailable in the City.

Disabled persons often require special housing features to accommodate physical limitations. Some disabled persons may have financial difficulty due to the cost of having their special needs met or due to difficulty in finding appropriate employment. Although the California Administrative Code Title 24 requires all public buildings be accessible to the public through architectural standards such as ramps, large doors, and restroom modifications to enable handicap access, not all available housing units have these features. According to 1990 Census data, there were approximately 525 non-institutionalized disabled persons over age 16 in Sierra Madre.

According to the 1990 Census, 153 or 2.1 percent of persons between the ages of 16 and 64 had mobility and/or self-care limitations.

Many persons with disabilities can benefit from a residential environment that provides supportive services in a group setting. According to the State Department of Social Services, there are two adult residential homes for the developmentally disabled in Sierra Madre with a total capacity of 46 and one group home for children with a total capacity of 5.

Both the Fair Housing Act and the California Fair Employment and Housing Act impose an affirmative duty on local governments to make reasonable accommodations (i.e. modifications or exceptions) in their zoning laws and other land use regulations when such accommodations may be necessary to afford disabled persons an equal opportunity to use and enjoy a dwelling. For example, it may be a reasonable accommodation to allow covered ramps in the setbacks of properties that have already been developed to accommodate residents with mobility impairments. A similar waiver might not be required for a group home where residents are not physically disabled. Whether a particular modification is reasonable depends on the facts, and must be decided on a case by case basis.

The City enforces several regulations which serve to enhance accessibility to disabled residents. For example, any new apartment development is subject to requirements under the Americans with Disabilities Act (ADA) for unit "adaptability" on ground floor units. Adaptable units are built for easy conversion to disabled access, such as doorway and hallway widths, and added structural support in the bathroom to allow the addition of handrails. Because the City's 46 unit senior housing project is partially funded through the State CHFA program, it is subject to more stringent accessibility requirements. Pursuant to CHFA, 5% of the units shall be fully built handicapped units, and 95% of the

units shall be fully accessible and meet all state and federal requirements. In addition to providing disabled access in new construction projects, Sierra Madre also provides funding for retrofitting existing housing for ADA accessibility under the Handyworker and Housing Rehabilitation Programs (Programs 2.1.1a and 2.1.1b in the Housing Element).

The City has conducted an initial review of zoning and building code requirements, and has not identified any barriers to the provision of accessible housing. However, as set forth in Housing Element Program 3.6.2, the City will undertake a more detailed analysis within one year of Element adoption to confirm that no such constraints exist.

Families with Female Heads

Most female-headed households are either single elderly women or single mothers. Traditionally, these two groups have been considered special needs groups because their incomes tend to be lower, making it difficult to obtain affordable housing, or because they have specific physical needs related to housing (such as child care or assisted living support). Single mothers, in particular, tend to have the difficulty in obtaining suitable, affordable housing. Such households also have a greater need for housing with convenient access to child-care facilities, public transportation, and other public facilities and services.

Of the 4,659 households in the City, 412 or 8 percent are female-headed family households. In addition, 1,036 people lived in female-headed, non-family households, of which, 769 were women living alone.

According to the 1990 Census, 42 (10 percent) of the City's female-headed households, are classified as living below the poverty level. It may be assumed that most of these households are overpaying for housing (i.e. more than 30 percent of their income), or are experiencing other unmet housing needs. As a result of poverty, female heads of households often spend more on immediate needs such as food, clothing, transportation, and medical care, than on home maintenance, which results in living units falling into disrepair.

Farm Workers

According to the 1990 Census, 96 persons (1.4 percent) were employed in farming, forestry, and fishing occupations out of a total labor force of 6,642. The California Employment Development Department includes farm workers, nursery workers, delivery truck drivers for produce and flower, horticulturists, landscapers, tree trimmers, and lawn gardeners in this category. Currently, there are at least 18 business licenses in Sierra Madre issued to florist, tree, landscape and gardening services alone. There are also several nurseries in town. While the 96 persons in this category may not solely be employed in businesses within the limits of Sierra Madre, it is likely that they are employed in similar businesses elsewhere. It is unlikely that any of these numbers are farm workers given the lack of nearby agricultural areas.

Homeless

Homelessness is caused by a number of social and economic factors, including a breakdown of traditional social relationships, unemployment, shortage of low-income housing, and the deinstitutionalization of the mentally ill. A homeless person lacks consistent and adequate shelter. Homeless persons can be considered resident (those remaining in an area year-round), or transient. Emergency and transitional shelters can help to address the needs of the homeless. Emergency shelters provide a short-term solution to homelessness and involve limited supplemental services. In contrast, transitional shelters are directed towards removing the basis for homelessness. Shelter is provided for an extended period of time, and is combined with other social services and counseling to assist in the transition to self-sufficiency.

The nature of the homeless population makes exact counting difficult. The 1990 Census found no "visible" persons living on the streets and no people in homeless shelters. However, Census counts are not generally accepted as an accurate reflection of homelessness. Because the homeless move around and are not always visible on the street it is difficult to get an accurate count of homeless persons in a community. Discussions with social service organizations and others dealing with emergency housing and the homeless on a daily basis reveal that few residents of Sierra Madre use these services on occasion, but do not represent an outstanding need that would require additional services in the City and surrounding areas. The Police Department does not track the number of homeless in Sierra Madre as there are so few homeless individuals in the City. The few homeless persons find shelter in the Sierra Madre Canyon and other non-permanent locations in the City. However, homelessness does not appear to be a problem

Agencies Offering Public Assistance

Although there are no public service organizations within the City providing shelter to the homeless, there are organizations in surrounding cities that serve the needs Sierra Madre residents. At one time, one of the local churches operated a food distribution program and numerous individuals participated in that program. The church felt that it could not sustain the operation and discontinued it. Those individuals and families are not known to have been homeless or Sierra Madre residents. There are seven public service organizations and agencies in nearby Pasadena that offer shelter, counseling, or other services for the homeless, abused, or elderly. These organizations include: Union Station; Pasadena Bad Weather Shelter; Elizabeth House (pregnant women/children); Walter Hoving Home (women); Haven House (women/children); OASIS (youth); and St. Luke's Hospital-Share Unit (Detox -men/women). It is possible for homeless individuals who are from Sierra Madre, or who pass through Sierra Madre to use one of those shelters as they are within six miles of downtown Sierra Madre.

Union Station has a capacity of 60 beds and offers emergency assistance to approximately 600 clients from the area each year. Approximately 1,000 people seek food assistance, transitional housing assistance through vouchers and other homeless aid. It is unknown how many clients are residents of Sierra Madre.

Haven House serves approximately 40 women and 130 children annually. Haven House offers 36 beds, food, and counseling services. It is unknown how many clients reside in Sierra Madre.

St. Luke's Hospital serves approximately 15 Sierra Madre residents annually through their detoxification program. The program runs for 1 month and also offers outpatient services, daycare, and prevention programs.

There is also an Emergency Shelter Hotline in Pasadena that refers clients to organizations that provide food, housing, and clothing. Approximately 22,000 people from the area call this hotline each year. It is unknown how many clients are from Sierra Madre.

In addition, there are three other shelters in Pasadena that offer services to needy residents. Elizabeth House provides shelter for pregnant women and children. Walter Hoving Home offers shelter for women only. Oasis Youth Shelter provides emergency shelter for children. Unfortunately, no response was received from these shelters to gauge the need for Sierra Madre residents.

ASSISTED HOUSING PROJECTS

Assisted housing projects in the City can alleviate the financial hardships low-income households may face. Assisted housing projects are those that offer financial aid or provide extra services for people in need of financial or basic living assistance. There are a variety of programs, each focusing on a specific need or with a specific goal to eliminate unmet housing needs in the community. A review of information from state and federal agencies did not uncover any assisted rental housing developments with state or federal contracts. There are also currently no locally-assisted rental housing developments.

The City is providing Redevelopment funding to assist in the development of its first affordable housing project – Sierra Madre Senior Housing. This 46 unit project will provide affordable rental housing to very low and low income seniors age 55 years and older. Affordability controls will be for a minimum of 55 years. As part of the Senior Housing Specific Plan, six multi-family units will also be constructed, with one unit designated for lower income use. Pursuant to State density bonus law, this unit will remain affordable for a minimum of 30 years.

County Housing Programs

According to the County Housing Authority, the County does not currently operate any housing units in the City of Sierra Madre, nor does the County Housing Authority plan to add any units in the City. Therefore, there are no Sierra Madre residents on the County's Section 8 waiting list. Currently, there are no Section 8 Certificates/Vouchers distributed in the City. Although the County offers the Shelter Plus Care program, HOPWA program, and Section 8 Existing Housing Homeless program, no residents of Sierra Madre participate in these programs. The County Housing Authority has two active contracts in the Sierra Madre, however, the recipients of those contracts may not

originally be from Sierra Madre as participants are able to find housing in any area of the County that will accept contracts.

There are no multi-family complexes in the City that currently participate in HUD's Section 8 program. However, the City is participating in the Section 8 rent subsidy program. The Section 8 Housing Assistance Payments Program (HAPP), is administered by the Los Angeles County Community Development Commission/Housing Authority. It is a program that links landlords with tenants eligible for rental assistance. HAPP guarantees landlords fair market rent while providing subsidies for tenants in rental properties. HAPP tenants are those elderly, handicapped, or low-income families needing help to secure decent housing. Sierra Madre will be participating in this program that encourages landlords to accept Section 8 vouchers and certificates, and will be on the list of cities in the rent subsidy program.

Fair market rents for the Los Angeles County area in fiscal year 2000 are provided in Table 20 below. For the 40th percentile fair market rents for manufactured home spaces in the Section 8 Choice Housing Program, space rents in Los Angeles County are listed at \$505 for fiscal year 2000 (Federal Register, February 2000).

Table 20**Fair Market Rents for Existing Housing in Los Angeles County**

Studio	One Bedroom	Two Bedroom	Three Bedroom	Four Bedroom
\$505	\$605	\$766	\$1,033	\$1,233

Source: Federal Register, HUD, February, 2000

Individual initiative and the use of Community Development Block Grants (CDBG) have helped. In previous years the CDBG program has been used to assist with home improvement for applicants that meet the income guidelines.

City Housing Programs

The City had previously purchased a former church site for potential development with senior affordable housing, but this site was ultimately used to house the City's Youth Activity Center. The Redevelopment Agency subsequently purchased four parcels on Esperanza Avenue for development with 46 units of lower income senior housing. This project is scheduled to break ground in early 2003, with occupancy anticipated in early 2004. The City maintains a cooperative agreement with the County for administration of a homeownership assistance program in its jurisdiction (refer to Program 3.2.1 – Mortgage Credit Certificate program).

UNITS ELIGIBLE FOR CONVERSION

In 1989, the California Government Code was amended to include a requirement that localities identify and develop a program in their housing elements for the preservation of assisted, affordable multi-family units. Subsequent amendments have clarified the scope of the analysis to also include units developed pursuant to inclusionary housing and density bonus programs. In the preservation analysis, localities are required to provide an inventory of assisted, affordable units that are eligible to convert within ten years. As part of the analysis, an estimation of the cost of preserving versus replacing the units is to be included, as well as programs designed to preserve the affordable units.

The California Housing Partnership Corporation provides an inventory of federally subsidized rental units at risk of conversion. The 1999 update, which identifies units at risk through the year 2020, identifies no HUD-assisted multi-family housing developments with Section 8 contracts in the City of Sierra Madre. Therefore, there are no units at risk of conversion and no costs to conserve assisted units. If the City wished to obtain units in the future for assisted housing, a 30-unit studio complex on the second floor of a commercial area was recently on the market for \$2,250,000. This equates to \$75,000 per unit or \$122 per square foot.

The assisted housing to be developed under the Sierra Madre Senior Housing Specific Plan will carry long term affordability controls, and will not be at risk of conversion during this Housing Element cycle. The senior housing component will carry a minimum 55 year affordability covenant, and the affordable multi-family unit will carry 30 year controls, consistent with State density bonus law.

HOUSING NEEDS AND GROWTH AREAS

THE URBAN PATTERN IN SIERRA MADRE

Land use extends out from the center of the business district at the intersection of Baldwin and Sierra Madre Boulevard with high density residential uses on the periphery of the business district and single-family housing dominating the outside borders of the City. During the 1920s and 30s, Sierra Madre Canyon was divided into several hundred lots for vacation properties. Small cabin-like vacation homes were developed and have become permanent housing for residents. There is a desire to maintain the character of the canyon by keeping housing small. As land becomes scarce, the pressure to increase housing density rises, with higher densities more readily accommodated as infill development within the urban core of the City, while preserving the rural character of the hillsides.

Residential Land Use Designations

There are five residential zoning districts in Sierra Madre – R-1, R-2, R-3, R-P and H. The 1996 General Plan Land Use Element established land use designations to correspond with the zoning districts – RL, RM, RH, RE, and H, and a sixth designation R-C which corresponds to the Sierra Madre Canyon Area. These designations are discussed in detail below.

Residential Low- Density (RL) corresponds to the R-1 zone. Approximately 85 percent or 1620 acres of land in Sierra Madre are Residential Low-Density. Lots range from 2,500 square feet in the Canyon Area to approximately 45 acres, the largest undeveloped parcel under one ownership. Minimum lot sizes are categorized for subdivision purposes and range from 7,500 square feet to 15,000 square feet.

Residential Medium Density (RM) corresponds to R-2 zoning, of which few parcels exist in the City. Only one percent (13 acres) of the City's land area is zoned R-2. The current minimum lot size for a new R-2 lot is 7,500 square feet.

Residential Medium/High Density (RH) and Residential Entrepreneur (RE) correspond to the R-3 and R-P zones. Seven percent of Sierra Madre (131 acres) falls within these zones. Development densities of 13 units per acre are permitted in RH and RE designated areas. Lot size in the R-3 zone determines the number of additional units beyond a single dwelling that are permitted. A lot must be at least 9,000 square feet to allow two dwelling units, with 3,000 additional square feet needed for each additional unit. There is currently a "good design" density bonus which may be awarded to allow two units on 7,500 square feet with one additional unit per every 2,500 square feet¹. The R-P zone serves as a transition between residential and commercial uses, and is located extensively along Sierra Madre Boulevard both east and west of the downtown commercial core. The purpose of the R-P zone is to allow either medium/high-density

¹ These provisions will be incorporated into a two tiered local density bonus ordinance which first provides the State-mandated 25% affordable housing density bonus, and a second bonus for good design (refer to Program 1.2.1)

residential (R-3) development, and/or to allow a mix of commercial and residential uses on these properties to provide a mixture of land uses and increased flexibility. Numerous properties in the R-3 zone are not fully utilized to the allowable density as they contain only a single-family home on their respective lots. Staff has prepared an inventory of these underutilized R-3 parcels, presented in Table 21 below.

Residential in Commercial Districts

The 1996 General Plan expanded the Commercial land use designation to include residential as a permitted use. Policy L29.4 of the Land Use Element reads “Allow for residential uses at the rear and above the first floor on commercial properties”. Housing Element Program 1.1.3 calls for the City to amend the Zoning Code to provide consistency with this Policy and establish standards for mixed use development in the downtown Commercial district.

RESIDENTIAL DEVELOPMENT OPPORTUNITIES

Table 21 presents a summary of residential development opportunities in the City, graphically illustrated in the Infill Sites figure which follows. While sites presented in this table are in infill locations, the majority of vacant land in the City actually lies in hillside and other constrained areas, as presented later in Table 23. With over 200 acres of developable, privately owned hillside land, these sites are more than sufficient to accommodate the City’s remaining need for 24 above moderate income units (44 unit RHNA – 20 units built since 1998), but would not be developable at densities that could accommodate very low-, low-, or moderate-income households.

Table 21

Residential Sites Summary – Infill Sites

Zone Category	Acreage (Approx.)	Development Potential (# Dwelling Units)	Property Location/Comments
R3 Infill Sites	0.4	5	15 E. Allegría
	0.5	5	69 E. Laurel
	0.4	5	65 E. Laurel
	0.4	5	169 E. Laurel
	0.4	5	50 Esperanza
	0.5	6	136 Esperanza
	0.5	6	293 Mariposa
Senior Housing Specific Plan	1.05	46 senior units	100 block Esperanza
	0.35	6 multi-family units	
East Montecito Specific Plan	8.5	To be determined	Montecito Avenue between Baldwin and Mountain Trail
Second Units (R1)		12 through 2005	R1 parcels throughout City

CITY OF SIERRA MADRE INFILL SITES

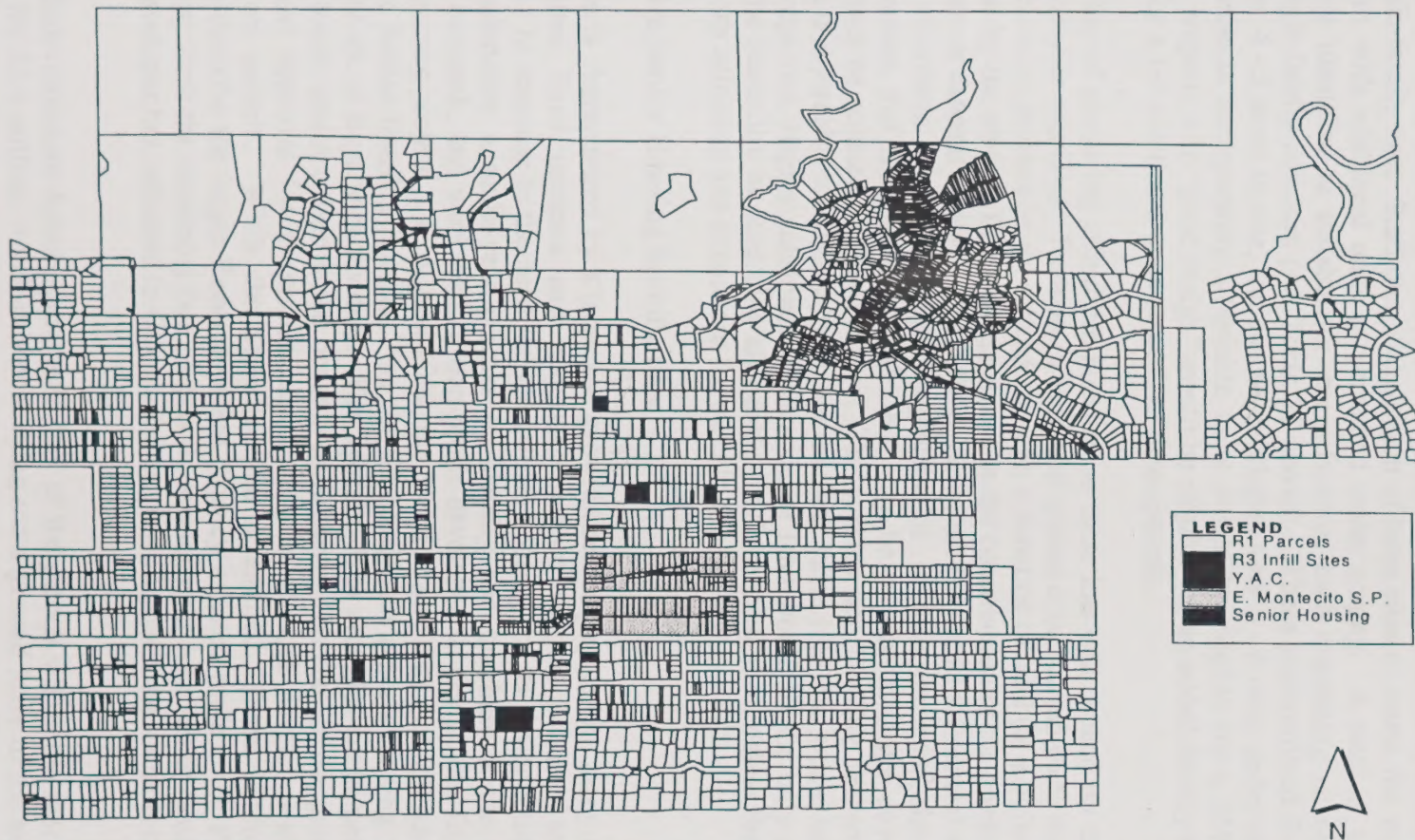


Figure 5

R-3 Infill Sites

For purposes of identifying potential infill development opportunities, in August 2002, City staff prepared an inventory of all underutilized R-3 parcels currently developed with only a single-family unit. Staff then visited each of these sites to assess the viability for development with additional units as permitted under zoning. A total of seven R-3 parcels were identified as suitable for intensification, each containing an older, non-historic single-family structure (see Table 21 above). These underutilized R-3 parcels are between .4 -.5 acres in size, and can be developed with 5 - 6 units under zoning. In addition, projects incorporating affordable units would be eligible for a 25% density bonus, and projects with "good design" would be eligible for an added density incentive, providing for a 1-4 additional units on each of these parcels.

The feasibility of producing affordable housing on these lots will depend on the cost of land and available subsidies. The cost of land and typical construction costs require that affordable housing projects be subsidized, through a donation of land (or a write-down of the land cost by the owner), financial assistance in the construction of the dwelling units, and/or waiver or deferral of development fees. Although the need for financial assistance to produce affordable housing is present regardless of lot size, the small size of these properties means that economies of scale that may be present in larger development projects cannot be realized in Sierra Madre. The subsidy per dwelling needed to make dwelling units affordable will likely be higher on these small lots than would be the case on larger properties. Higher subsidies or donation of land would be the only means of increasing the feasibility of producing affordable on these infill sites, unless they can be combined with adjoining lots to increase the parcels size.

Sierra Madre Senior Housing Specific Plan

Sierra Madre is characterized by a large and growing senior population, many of whom are on limited fixed incomes and may also require support services to remain independent. In response to the need for specialized housing for its senior residents, the City has undertaken a multi-year process to identify and purchase a site, conduct community outreach, and work with a non-profit developer to design the City's first affordable housing project. In August 2002, the Sierra Madre City Council adopted the Sierra Madre Senior Housing Specific Plan for six contiguous parcels totaling 1.4 acres on the 100 block of Esperanza Avenue. The Specific Plan provides entitlement for an affordable 46-unit senior citizen rental housing development on four of the parcels, and the conceptual approval for a six-unit multi-family residential development on the remaining two parcels. While the Specific Plan is entitled "Sierra Madre Senior Housing" to describe the larger Redevelopment Agency assisted project, the Plan does not in any way limit the remaining two parcels to development with senior housing, and in fact the developer has indicated to City staff they plan on providing six units of family housing.

The City's Redevelopment Agency purchased four of the parcels within the specific plan (1.05 acres) for \$1.4 million, which it is conveying via a ground lease to the non-profit Accessible Housing Corporation for the senior housing component. The project is also receiving State CHFA financing to provide affordability to 10 very low and 36 low

income seniors age 55 years and older. Affordability controls will be for a minimum of 55 years. The City also provided increased densities and height, reduced setbacks, and parking reductions (1 space per unit) to enhance project affordability, consistent with General Plan policies for senior housing. The project is scheduled to break ground in early 2003, with project completion anticipated in early 2004.

As part of the Senior Housing Specific Plan, the City is providing for a density bonus to enable development of six multi-family units on the two privately owned parcels, with one unit designated for lower income use. In addition to increased densities, the Specific Plan provides for reduced side and rear yard setbacks. While entitlement of this portion of Specific Plan is subject to design review and filing of a tract map, the project has already received conceptual approval and therefore staff anticipates development to occur concurrently with the senior housing.

East Montecito Avenue/Artisan Mixed Use Specific Plan

The City's 1996 General Plan established an "Artisan Mixed Use" (AMU) land use category to apply to an 8.5 acre area along East Montecito Avenue between Baldwin Avenue and Mountain Trail. This transitional area is characterized by a mix of older commercial and industrial buildings, single-family homes and vacant lots. By redesignating this area AMU, the Plan's objective is to "intensify the use of Montecito Avenue as a district which would have market appeal to local residents as well as visitors to the City where artisans can work and live, where craft related industries can take place, and where affordable residential opportunities are created." The General Plan sets forth several specific policies for the East Montecito Area, including: adoption of a redevelopment and/or specific plan; redevelopment agency participation in new construction and adaptive reuse projects; and provision of financial incentives to developers of projects meeting General Plan goals for this area.

Beginning in late 1999, the City undertook a detailed land use study, followed by a series of public workshops to develop the Draft East Montecito Specific Plan (May 2001). The Plan was approved in draft form by both the Planning Commission and City Council, with the next step to prepare an environmental impact report including infrastructure and parking studies. Due to several time-intensive projects which occurred around the same time (including the Sierra Madre Senior Housing Project), combined with a turnover in key City staff, completion of the specific plan process was temporarily put on hold. Development Services staff are now prepared to re-initiate the Specific Plan process in fall of 2002, with adoption anticipated by year end 2003.

As illustrated in Figure 5, the draft Specific Plan divides the East Montecito area into 3 distinct mixed use districts of roughly equivalent size, all of which encourage the integration of residential uses and elimination of the currently permitted manufacturing zoned uses. Each of these districts is described below:

Planning Area 1 - Commercial Mixed Use (CMU): This zone district is designed to encourage the development of similar commercial uses that currently exist in the Downtown Business District. Residential uses are encouraged as the primary visible use from the street, or included as part of the second floor development of commercial office

structures. The mixed use development of residential and light industrial uses are also permitted.

Planning Area 2 - Residential/Industrial Mixed Use (RMU): This zone district is designed to encourage the development of similar commercial and light industrial uses exhibited in Planning Area 1, while focusing residential along the street frontage. This includes the development of residential structures for housing or office uses. Development incentives allowing for reduced setbacks or increased floor area will be provided to encourage the development of structures that are developed at a similar mass and scale as those present within adjoining single- and multi-family residential zones.

Planning Area 3 – Residential Compatible Zone (RC): This district is designed to encourage the development of primarily low intensity single-family and/or multi-family residential development. Commercial uses (i.e. boutiques, artists lofts, live-work spaces, etc), office and industrial uses are also conditionally permitted in this zone.

Residential Development Standards: Table 22 summarizes the preliminary residential development standards for the East Montecito Specific Plan. Under the Plan, residential density is not limited in the traditional sense of maximum number of dwelling units per acre. Rather, the City has regulated minimum lot sizes per project (not dwelling unit), yard and setback requirements, maximum height, maximum lot coverage, and minimum parking. The Specific Plan provides for buildings up to three stories in height, with lot coverages of between 40 to 80 percent. Two covered spaces per dwelling unit are required, which can be accommodated either in a garage or carport, plus one guest parking space per three dwelling units.

If parking is located under a building, a residential project could achieve a density in excess of 30 units/acre in the RMU or RC zone (which permit freestanding residential), assuming an average unit size of 750 square feet. If parking is provided at grade level, the achievable residential density for a freestanding residential project is closer to 20 units/acre. Actual net project density would depend on the dwelling unit mix and whether the project is a freestanding residential project or a mixed residential-commercial project.

Table 22

**East Montecito Specific Plan
Preliminary Development Standards**

	CMU	RMU	RC
Front Yard Setback	10 feet front yard for projects that include residential uses.	15 feet front yard setback adjacent to residential uses, otherwise 10 feet.	25 feet front yard setback.
Side Yard Setback	10 feet/landscaped adjacent to residential uses.	10 feet/landscaped adjacent to residential uses.	5 feet for lots <60 feet wide, 30% aggregate side yard setback for lots >60 feet wide.
Rear Yard Setback	10 feet/landscaped adjacent to residential uses.	10 feet/landscaped adjacent to residential uses.	15 feet for primary structure/5 feet for detached accessory structure.
Building Height	30 feet maximum.	30 feet maximum.	25 feet.
Lot Size	3,500 sq. ft. minimum/9,000 sq. ft. for multi-family residential development.	3,500 sq. ft. minimum/9,000 sq. ft. for multi-family residential development.	7,500 sq. ft. minimum/9,000 sq. ft. for multi-family residential development.
Minimum Lot Width	60 foot wide minimum.	60 foot wide minimum.	60 foot wide minimum.
Lot Coverage	80% of lot size.	55% of lot size.	40% of lot size/allowable floor area (FAR) is 35% of lot size.
Parking: Residential	2 covered/carport spaces per unit and 1 guest parking space for every 3 units.	2 covered/carport spaces per unit and 1 guest parking space for every 3 units.	2 covered/carport spaces per unit and 1 guest parking space for every 3 units.

As part of the development of the Specific Plan over the coming year, the City will focus on refining these development standards to ensure they facilitate the provision of housing (refer to Program 1.1.1). For example, the City will develop reduced parking standards for housing which is combined with commercial or light industrial uses. And while most parcels within the Specific Plan meet the minimum 9,000 square foot lot size requirement for multi-family, the City will provide incentives for combining lots.

Second Units

Sierra Madre contains numerous large single-family parcels that could readily accommodate a second residential unit. Second units can provide an opportunity for individual rental housing units to be interspersed within single-family neighborhoods, and can offer income and even caretaker support services to the primary homeowner. Current City zoning provisions limit second units to persons age 60 or more, although a

significant number of second units are believed to exist which have not been approved by permit.

In order to better facilitate the provision of second units as an affordable housing resource, the Housing Element sets forth Program 1.2.4 to amend the City's existing second unit ordinance. Key aspects of this ordinance revision include: elimination of age requirements; limitations on occupancy to low and moderate income households; and reduced parking requirements. The ordinance will also include amnesty provisions to bring existing second units into compliance with building and zoning codes to allow these units to be counted as part of the City's housing stock.

The City is committed to revising its second unit ordinance by year end 2003, and anticipates receiving approximately 5 units per year (both new construction and units brought in through the amnesty program). During the remaining time frame of the Housing Element, second units can be anticipated to contribute 12 units to the housing stock. While new second units would likely rent at moderate income levels, most existing second units in Sierra Madre rent at levels affordable to low income households (\$770/month for 1 person, or \$880/month for 2 persons).

Comparison of Residential Sites to Regional Housing Needs (RHNA)

Sierra Madre has an identified future housing need (RHNA) of 89 units to be developed during the 1998-2005 period, including 15 units affordable to very low income, 13 units for low income, 17 units for moderate income households, and 44 units for above moderate income households. Housing built from January 1, 1998 onward can be credited towards meeting the adequate sites requirement for the RHNA. Between January 1998 – August 2002, a net total of 20 new single-family and condominium units were built, addressing the City's need for above moderate income units. Crediting these 20 units towards the City's total construction need for 89 units leaves an outstanding RHNA of 69 units. While the City's above-moderate income needs can readily be addressed on remaining hillside properties, the more challenging issue is addressing the City's affordability targets for lower and moderate income households.

Due to the City's active commitment over the past several years, a significant portion of the City's affordable housing needs through the 2005 planning period will be addressed through the Sierra Madre Senior Housing project, which provides for 10 very low and 36 low income units for seniors age 55 and above. In addition, the Specific Plan provides for 6 multi-family units, 1 of which will be designated as affordable to low income households.

Second units offer another opportunity for provision of affordable rental housing in Sierra Madre. Pursuant to Program 1.2.4 in the Housing Element, the City will revise its current ordinance to better facilitate the creation of new second units, as well as provide an amnesty program to bring existing second units into compliance with City codes. The City anticipates these ordinance revisions will facilitate creation of approximately 12 second units over the 2003-2005 planning period (5 per year), providing rental housing affordable to low and moderate income households.

The City has a number of R-3 infill parcels which also provide site opportunities for development of multi-family housing. While market rate development on these sites would not likely be affordable, tools such as density bonus, lot consolidation, and/or financial subsidies could result in production of affordable units.

Finally, the proposed East Montecito Specific Plan presents a significant future opportunity for creation of live-work, mixed use and higher density multi-family housing. One of the General Plan's primary goals for this area is creation of affordable residential opportunities, to be implemented through adoption of a specific plan and provision of financial incentives. Program 1.1.1 of the Housing Element focuses on refining the draft specific plan's preliminary development standards to better facilitate the provision of housing, with the goal of plan adoption by year end 2003. Development under the specific plan will likely be in its infancy during the close of the current housing element period, but will represent one of the City's major affordable housing opportunities in the future.

Availability of Public Services and Facilities

The availability of adequate public facilities and services in relation to the infill sites listed above has been evaluated, and the City has determined there are no public facility or service constraints that would impede the development of housing units to meet the City's RHNA allocation. The exception is future subdivision of hillside properties which will require extension of existing roads, water, and sewer lines.

FINANCIAL RESOURCES

Moderate and low-income households seeking homeownership or simply adequate rental housing can participate in the City's housing finance assistance programs. The Community Redevelopment Agency generates tax increment, 20 percent which is deposited into an affordable housing fund. As of June 2002, the Agency had a balance of \$40,000 in its housing fund, and anticipates generating an additional \$150,000 per year, for a total of \$490,000 available to support housing programs during the remainder of this Housing Element cycle. As stated earlier, the City could invest in an existing property to create assisted housing developments in the City. The Section 8 program is available in the City. Currently there are two contracts in Sierra Madre. City residents may also apply for a Community Development Block Grant to obtain housing rehabilitation grant assistance. In addition, the Mortgage Credit Certificate Program (MCC) provides federal tax credit of up to 20 percent of the annual interest due on a first-time homebuyer's mortgage.

HISTORICALLY SIGNIFICANT HOUSING STOCK

As of March 2003, 44 sites and structures have been researched and identified as designated historic landmarks in Sierra Madre. However, there are a number of unlisted properties in the City that meet the criteria for historic significance. The City has established a preservation ordinance to maintain historically significant dilapidated structures. Owners of historic structures are offered a number of benefits so they can afford to rehabilitate and maintain their homes. Building permit fees are waived for owners of historic homes. Also, remodeled historic homes need only comply with the State Historic Building Code, which is less stringent than existing codes. Finally, the City participates in the Mills Act Program, which is a 60 percent property tax reduction implemented by the County Assessor's Office.

CONSTRAINTS

HILLSIDE DEVELOPMENT

Since most raw, undeveloped land in the City is located the hillside areas, development of these areas carries environmental and financial risks. As shown in Table 23 below, most hillside land is privately owned, followed by public land. The most significant privately-owned hillside property remaining is the 60+ acre Maranatha site, which the property owner is in the process of submitting tract map applications for development of 30+ single-family homes. Over 85 percent (275 acres) of the 316 acres of public vacant land is wilderness area.

Table 23

Hillside Land Division

Land Owner/Use	Acres
Private Developed	21.27
Private Vacant	222
Los Angeles County Flood Control	25.18
City Flood Control	34.87
Public Vacant	316
Total	619.32

Source: City of Sierra Madre Development Services, October 2002

Maintaining Public Open Space

The City is dedicated to the preservation of its open space. Open space is a valuable resource as it discourages noncontiguous development patterns that result in sprawl and inefficient use of community service funds. Open space also maintains the natural character of the area so that urbanization does not become out of control and cities do not lose their natural resources. Open spaces are beneficial to the responsible growth of cities and offer many environmental, recreational, and psychological benefits to the community. As stated above, 275 acres of the 316 vacant public land are set aside as a portion of a 1,100 acre wilderness area that extends beyond the City limits. The remaining 41 acres are divided among park land, reservoirs, and other small parcels.

Environmental Protection of Raw Land

Since most of the hillside properties have not been developed, little grading or other activities have occurred to alter their natural state. Preservation of the hillside properties equates to preservation of the natural terrain, flora, and fauna resources in the City.

Seismic Safety

Like most other areas of the state, Sierra Madre is located on a number of active fault lines. Most notably, the San Andreas fault is located a mere 40 kilometers from the City. Other faults include the Sierra Madre fault, Raymond fault, and the Clamshell-Sawpit fault. Therefore, development of the hillside areas, which are most susceptible to ground failure and landslide during earthquake activity, should be limited to low occupancy to avoid potential disasters.

Development Costs

Since little to no improvements have been made on hillside properties, development of infrastructure would add to the cost of development. Parcels would need to be graded and utility and road extensions would need to occur. In addition, flash flooding may occur in hillside areas, resulting in the need for flood control devices in residential developments. Due to seismic risks, further provisions for earthquake safety would need to be imposed including building design safety standards. These costs would create a large burden on the City and developers to such a degree that the City does not provide incentives for hillside development of low- and moderate-income housing.

ENVIRONMENTAL INFRASTRUCTURE CONSTRAINTS

City Limits

The City is small and is bounded by the City of Pasadena to the west, the City of Arcadia on the east and south, and the Angeles National Forest on the north. Therefore, there is no room for annexation to increase land availability in Sierra Madre.

Open Space

Sierra Madre has two areas of open space, for a total of 180 acres of open space. Of those 180 acres, 60 are located in the Bailey Canyon Wilderness area, and 120 are a portion of a 1,100-acre Historical Wilderness that stretches into the Angeles National Forest.

Water

Water is a resource of limited supply in the southern California region. Water limitations can prevent the development of new housing. Therefore, the Water Department must look closely at housing development in devising water allocations. The City does not anticipate any water shortages in meeting the RHNA allocation through 2005, however. Priority of water allocations must be given to housing developments that help meet the City's need for lower-income housing.

Infrastructure

Since the City and most of its developments are quite old, infrastructure, including streets, sewers, storm drains, and water lines, are quickly aging and in need of repair. To

offset the cost of installation and repair, new developments are required to provide on-site infrastructure and pay an impact fee for these facilities. There are no infrastructure limitations on the City's ability to accommodate affordable housing, nor are there infrastructure or public service constraints on remaining sites potentially suitable for affordable housing. The City cannot presently serve hillside sites above the current limits of development without extending roads, water, and sewer lines. These sites will be costly to build on and can only be developed at extremely low densities. They are not suitable for affordable housing development, therefore.

NON-GOVERNMENTAL CONSTRAINTS

Availability of Financing

The City has not uncovered any local constraints to the availability or cost of financing for home purchases or rehabilitation that differ significantly from the availability and cost of financing generally in California. Even in older neighborhoods of the City, there are no barriers to obtaining financing for home purchase, improvement, or construction (other than customary underwriting considerations by lenders).

The primary factor related to home finance affecting housing affordability and availability is the cost of borrowing money (interest rates). Historically, substantial changes in interest rates have correlated with swings in home sales. When interest rates decline, sales increase. The reverse has been true when interest rates increase. Over the past two decades, there has been a dramatic growth in alternative mortgage products, such as graduated mortgages and variable rate mortgages. These types of loans allow homeowners to take advantage of lower initial interest rates and qualify for larger home loans. Even during periods of high interest rates, these alternative products allow more buyers to qualify for homeownership, thus dampening the swings in home sales that accompany changes in interest rates.

Nevertheless, the fixed interest rate mortgage remains the preferred type of loan, especially during periods of low, stable interest rates. Most governmental programs that seek to increase homeownership among low- and moderate-income households rely on loan products that provide fixed interest rates below prevailing market rates, either for the principal loan or for a second loan that provides part of the down payment for home purchase. Many programs offer deferred second loans to facilitate homeownership. Table 24 shows various monthly payments necessary to service mortgages at various interest rates. Financing is currently at 10 percent in the area.

Table 24

Monthly Payments and Total Interest at Various Interest Rates

Interest Rate	15-Year Loan			30-Year Loan		
	Payment per \$10k	Total Interest Paid	% Difference Payment/Interest	Payment per \$10k	Total Interest Paid	% Difference Payment/Interest
6%	\$84.39	\$5,189	---	\$59.96	\$11,583	---
7%	\$89.88	\$6,178	6.5%/19.0%	\$66.53	\$13,950	11.0%/20.4%
8%	\$95.57	\$7,202	6.3%/16.6%	\$73.38	\$16,415	10.3%/17.7%
9%	\$101.43	\$8,256	6.1%/14.6%	\$80.46	\$18,966	9.6%/15.5%
10%	\$107.46	\$9,343	5.9%/13.2%	\$87.76	\$21,593	9.1%/13.9%

Price of Housing/Land

According to the California Association of Realtors, housing prices have been rising in the area, with gains of 2.9 percent between December 1999 and December 1998. Based on recent sales, the average three bedroom unit is \$364,000. Home prices are comparable to those in nearby Arcadia, who experienced 2 percent growth in housing sales prices in the past year.

Few multi-family units are sold in Sierra Madre, making it difficult to estimate the average price. However, one multi-unit property was recently on the market for \$2,250,000 for a 30-unit studio complex. This equates to \$75,000 per unit or \$122 per square foot of building space.

The price of land can also be a constraint and is the primary non-governmental constraint to housing growth in Sierra Madre. Lots can range between \$100,000 and \$300,000 depending on size and location. A current listing for land in nearby Monrovia is \$310,000 for 1.3 acres of residential land or approximately \$238,500 per acre.

Construction and Labor

With the recent demand increase for housing, construction costs have increased. Materials and labor have a wide range of costs depending on the type of materials used for construction. Typically more expensive materials, both in basic cost and labor cost to install the material, are used for custom units, whereas less expensive and easy to handle materials are used for average tract units. Fees and permits average approximately \$10 per square foot. Land development and improvements such as grading and slope stabilization average \$14 per square foot. Materials and labor comprise the largest expense at \$55 per square foot. Depending on the unit engineering and architecture soft costs range between \$3 and \$10 per square foot. Additional costs including trash and temporary fencing average about \$4 per square foot. Therefore, general construction of

the site and dwelling average \$70 per square foot, with an additional \$20 for soft costs and other expenses.

GOVERNMENTAL CONSTRAINTS

Zoning of Available Land

The City has approximately 1,764 acres of residential land, less than five percent of which are underdeveloped and feasible redevelopment options. As discussed above in the resources section, most of the acreage is zoned R-1 or low density. The following Table 25 shows the various constraints each zone places on future housing development. As shown in the table, constraints are based primarily on location of housing types and parking requirements for multi-family units. Although the parking requirements are common in suburban areas, they can limit the development of multi-family units in areas where space is limited. Since most of the land in the City is zoned R-1 or low density where multi-family and attached units are not permitted, locating available land where higher density dwellings are permitted can become difficult, particularly as build out occurs.

Land Use Controls

Residential uses are permitted in a range of residential zones as shown in Table 25. There is a mixed use zone R-P that allows both stand-alone R-3 multi-family development, as well as dwelling units as secondary uses in a commercial structure. A 30-unit studio complex recently on the market is an example of this, with the dwellings on the second floor of commercial spaces. Conversion of existing commercial uses in commercial zones to residential uses are also permitted with the approval of a conditional use permit. In addition, the 1996 General Plan expanded the Commercial land use designation to include residential as a permitted use at the rear and above the first floor on commercial properties". Program 1.1.3 in the Housing Element calls for the City to amend the Zoning Code to provide consistency with this Policy and establish standards for such developments.

RL

The majority of land in Sierra Madre (92 percent) is zoned R-1, which only allows one unit per lots of at least 7,500 square feet, or just over one-fifth of an acre. In addition there is a setback requirement of at least 60 feet on an average R-1 lot. However, due to location, some lots are further restricted to at least 9,000 square feet with a 70 foot setback, 11,000 square feet with an 80 foot setback, and a minimum 15,000 square feet (approximately a one-third acre lot) with a 90 foot setback. In addition, the zoning ordinance provides incentives to keep dwellings smaller to avoid "mansionization," but requires a minimum unit size of 1,250 square feet. These restrictions and the limitation of a 35 percent floor area ratio, housing development caters to households with moderate-incomes and above.

There are parcels in Sierra Madre that are underdeveloped and could be subdivided to achieve maximum density as allowed by the zoning provisions. However, a sewer permit

is needed for each parcel that was formerly tied under one property, contributing some additional fees to development. City sewer connection fees are nominal, running between \$30 - \$120 per unit depending on project characteristics. County sewer fees are more significant, although certainly not cost prohibitive.

RC

The RC designation refers to the Sierra Madre Canyon area that was originally developed for vacation homes in the 1920s and 30s. Since they were developed as vacation homes, the lots and structures are smaller than average, resulting in a higher density than average in a low-density zone. These homes are now permanent residences and require a separate land use designation to lessen the constraints on housing development in the canyon while maintaining the quaint and unique character of the area.

R-2 Zone

Current R-2 zoning does not permit the placement of manufactured homes on these lots, which could present a constraint to accommodating affordable housing. Given property values and predominant housing styles in most of the areas zoned R-2, it is unlikely that property owners would place manufactured homes on R-2 lots, even those that have the capacity for an additional dwelling unit. Nonetheless, given the fact the City does contain an estimated 20 R-2 parcels with capacity to accommodate a second single-family home, the Housing Element establishes Program 1.1.4(e) to allow manufactured housing on R-2 lots.

Second Units- Granny Hospices

The parking requirements state that any lot with a "granny hospice" shall provide a minimum of a two-car garage for each unit. Since these units are usually inhabited by older people less likely to drive, this requirements potentially provides more parking than might be needed for this type of zone. The amount of space taken up in parking could potentially cut down on the number of units available the case of smaller lots.

Hillside Ordinance

Like other hillside communities, Sierra Madre has specific guidelines and standards for hillside development to preserve the character of the hillside and protect residents and the environment. Based on slope and density, the Hillside Ordinance limits development according to four development categories. Slopes in category one range from 0 to 14.9 percent whereas slopes in category four are above 25 percent. Therefore development densities range from 2.9 units per acre in category one to 0.01 units per acre (one unit per 100 acres) in category four. In addition, the Hillside Ordinance limits grading and excavation to no more than 2,000 cubic yards per site and units must keep a distance of 100 feet from ridge lines and riparian sites to maintain the natural topography and safety of the development. Before development may occur, drainage, landscaping, and site specific biological assessments must be completed and approved. Therefore, development of hillside areas is very costly and would not be feasible for affordable housing units.

RM

RM designated land accounts for less than one percent (13 acres) of the City's residential land. Like zone R-1, lots must be at least 7,500 square feet with a front setback width of 60 feet. However, 45 percent coverage may occur and lots are limited to duplexes, or two detached units, and three to four-unit multi-family dwellings may be located where zone R-1 is adjacent to a commercial or manufacturing zone. Additional restrictions lie in the placement of structures on the lot. Structures must be at least 20 feet from the rear yard and have a 25 foot front setback, a 5 foot rear setback, and a minimum distance of 10 feet between structures.

Table 25**Sierra Madre Zoning Code Requirements**

Development Components	District			
	R-1	R-2	R-3	R-P
Lot Area – Minimum (sq/ft)	7,500	7,500	12,600	12,600
Lot Coverage – Maximum	40%	45%	55%	55%
Setbacks (ft)	25	25	25	25
Front	5	5	10 ft (first story)	10 ft (first story)
Side	15	15	15 ft (two story)	15 ft (two story)
Rear				
Maximum Height – Structure (ft)	25	2 stories/ 35	2 stories/35	2 stories/35
Allowable Floor Area – Structure (sq/ft)	2,100	2,100	Bachelor/Single – 450	Bachelor/Single – 450
35%	35%	35%	One Bedroom – 650	One Bedroom – 650
≤6,000 sq/ft	3,850 + 15% over 11,000	3,850 + 15% over 11,000	Two Bedroom – 900	Two Bedroom – 900
6,001 – 11,000 sq/ft			Three Bedroom – 1,100	Three Bedroom – 1,100
>11,001 sq/ft			Four Bedroom – 1,300	Four Bedroom – 1,300
Minimum Dwelling Area – Structure (sq/ft)	1,250	1,250	2 units – 9,000	2 units – 9,000
			Density Bonus	Density Bonus
			2 units - 7,500	2 units - 7,500
			each additional unit – 2,500	each additional unit – 2,500
Parking (spaces)	2 covered ^a	2 covered	2/dwelling unit (1 covered)	2/dwelling unit (1 covered)
Single Family Dwellings	Permitted Use	Permitted Use	Not Permitted	Not Permitted

Development Components	District			
	R-1	R-2	R-3	R-P
Second Residential Units	See "Granny Hospice"	Not Permitted	Not Permitted	Not Permitted
Apartments/Multifamily Units	Not Permitted	Not Permitted	Permitted Use	Permitted Use
Attached Dwelling Units/Duplexes	Not Permitted	Permitted Use	Permitted Use	Permitted Use
Granny Hospice	Conditional Use Permit	Not Permitted	Not Permitted	Not Permitted
Guest Houses	Permitted Use	Permitted Use	Permitted Use	Permitted Use
Hillside Development	Permitted Use*	Not Permitted	Not Permitted	Not Permitted
Conditional Use Permits	Up to 30 ft allowable <u>Granny Hospice:</u> Minimum Floor Area – 600 sq/ft Maximum Floor Area – 1,000 sq/ft 2 car garage per unit *Hillside Development Zone – shall be determined on a "case by case" basis; requires Conditional Use Permit.	"R2 Development in the R2 Zone"	"All development in a R3 Zone"	"All development in a R3 Zone"
Permitted Uses	One-family dwellings:	"Any use permitted in R1" Zoning ordinance to be modified to also permit modular homes (see Program 1.1.4) Two-family dwellings/duplexes	"Any use permitted in the R-2 zone (other than R-1)" Multiple Family Dwellings Accessory buildings to apartments or condominiums A public parking area	"Any use permitted in the R-3 zone (subject to limitations set forth therein)"

RH and RE

High density residential land use designations are found within R-3 and R-P zones. Lots housing two dwellings must be at least 9,000 square feet, with additional units permitted for every 3,000 square feet. Additional limitations include a 25-foot setback, with 60 percent maximum lot coverage. Future R-3 sites are limited to 12,600 square foot lots, although existing parcels are exempt from this requirement.

To encourage quality multi-family housing design, the City's zoning ordinance currently provides a density incentive for "good design" in the R-3 and R-P zones. Projects which fulfill these criteria are permitted a density of two units per 7,500 square feet, with an additional unit for every 2,500 square feet. As currently written, projects could theoretically receive this good design density increase without the affordability requirements prescribed under State density bonus law. (However, the six unit multi-family project to be developed as part of the Sierra Madre Senior Housing Specific Plan received both a 25% density increase for providing one low income unit (20%), as well as an additional density increase related to good design). In order to ensure density bonus projects first meet the State affordability requirements, and second receive a separate bonus as warranted for good design, the Housing Element establishes Program 1.2.1 to adopt a local density bonus ordinance which clarifies these provisions.

Multifamily developments in R-3 and RP zones may only be approved by conditional use permit to ensure compliance with zoning standards. Historically, the conditional permit process has not been an impediment to the approval of multifamily development, nor has it been used to require extensive and costly design changes or significant reductions in density below the level allowed by the Zoning Code. Between 1990 and 2000, approximately 35 percent of all dwelling units approved by the City were multifamily units (net increase of 18 multifamily units compared to total net increase of 51 dwelling units as reported by the California Department of Finance). Nonetheless, as a means of reducing the time and associated costs with developing affordable housing, the Housing Element sets forth a program to eliminate the CUP requirement for affordable projects. The City has already implemented this approach in the Sierra Madre Senior Housing Specific Plan by waiving the CUP process for both the senior housing and multi-family component.

Building and Fire Codes

Fire sprinklers are required by the City in all residential structures, which increases the cost of housing construction. In addition, wood shingles are prohibited unless they are treated for fire resistance.

Enforcement

Enforcement has been a significant barrier to legal and illegal construction or conversion of residential units. The City does not have an active enforcement program as funds are limited.

Processing and Permit Procedures

The City's permitting procedures are not a barrier to housing development as requests for single-family homes are processed within three months of application. The procedure for multi-family projects is slightly longer. Within three months of completion of the application, multi-family projects are brought to the Planning Commission, and plan checks are completed within an additional six weeks.

The City does not have a design review procedure for residential development. The parking requirements have not been an impediment to housing development, but may become constraining as available development area continues to decrease. Although the open space requirements for multi-family development can easily be accommodated within the prescribed density limits, meeting these standards will become more difficult as the City reaches build-out.

Fees and Exactions

Planning fees in Sierra Madre do not exceed the average fees of other jurisdictions. Table 26 lists the various permit and development fees required by the City. In addition to permit and planning fees, new developments must cover the costs of infrastructure, schools, and parks through development fees. Combined development fees total \$15.93 per square foot. Also, the City has a park and open space exaction fee pursuant to the Quimby Act, where fees are charged according to the land value. These fees add to the cost of new development, but also account for the added use of and/or need for infrastructure, schools, and park areas, critical to the functioning of the City

Table 26

City of Sierra Madre Development Fee Table

Development Type	Fee	Notes
Permit Fees		
Noticing – Postage/Publication	actual cost	
Administrative Review	\$30.00	each
Sign Permit – Administrative	\$30.00	each
Sign Permit – Planning Commission Review	\$60.00	each
Conditional Use Permit – Residential	\$470.00 plus \$30.00 for each additional unit	
Conditional Use Permit – Business/Non-Profit	\$220.00	each
Conditional Use Permit – extension/modification	100% of original fee	
Temporary Use Permit – Administrative	\$25.00	each
Temporary Use Permit – Other	\$100.00	each
Categorical Exemption	\$25.00	filing fee
Environmental Review – Initial Study	\$165.00	

Environmental Review – Negative Declaration	\$66.00	filing fee
E.I.R. Preparation	Actual cost of EIR + 10%	
Fish & Game Fee (State) – E.I.R.	\$1,250.00	filing fee
Fish & Game Fee (State) – Negative Declaration	\$800.00	filing fee
Fish & Game Fee Exception	\$25.00	each
Zone Change Application	\$250.00	
General Plan Amendment (for public hearing)	\$559.00 plus \$500.00 w/\$45/hr processing charge applied against deposit	
Municipal Code Text Amendment	\$559.00 plus \$500.00 w/\$45/hr processing charge applied against deposit	
Zone Variance Application (for public hearing)	\$300.00	
Zoning Variance Modification (for public hearing)	\$220.00	each
Minor Variance	\$200.00	Admin. review
Variance Appeal – Director’s determination	\$50.00	
Variance Appeal – Planning Commission’s Determination	75% of original fee	
Development Fees		
Park Development Fees	\$13.00/sq ft	
School Fee	\$1.93/sq ft	
Infrastructure Fee	\$1.00/sq ft	

Infrastructure and school fees represent a relatively small part of the cost of construction a dwelling unit in Sierra Madre. Park development fees can represent a substantially percentage of the cost of an affordable housing unit for a low-income household—over ten percent of the total costs depending on unit size and density.

On and Off-site Improvement Requirements

When new developments are constructed there is a need to improve the land upon which the development is located, or provide improvements in the general area to properly serve the development. These improvements vary depending on whether the development is located on raw land or an infill site. Typical raw land improvements include the installation of sewers, curbs, gutters, and streets. Many infill sites are already equipped with some if not most improvements, particularly streets. Therefore there are usually no dedication or easement requirements. Most of the new construction in the City occurs on existing lots that are being recycled for reuse. Also, areas such as Sierra Madre Canyon and Orange Grove Avenue are not equipped with curbs. However, it is unlikely that improvements would be required for new developments in those areas.

ENERGY CONSERVATION OPPORTUNITIES

There are many opportunities for conserving energy in new and existing homes. Construction of energy efficient buildings does not lower the price of housing. However, housing with energy conservation features should result in reduced monthly occupancy costs as consumption of fuel and energy is decreased. Similarly, retrofitting existing structures with energy-conserving features can result in a reduction in utility costs. Examples of energy conservation opportunities include weatherization programs and home energy audits; installation of insulation; installation or retrofitting of more efficient appliances, and mechanical or solar energy systems; and building design and orientation which incorporates energy conservation considerations.

Many modern design methods used to reduce residential energy consumption are based on proven techniques that have been known to humans since the earliest days of collective settlement. These methods can be categorized in three ways:

1. Building design that keeps natural heat in during the winter and keeps natural heat out during the summer. Such design reduces air conditioning and heating demands. Proven building techniques in this category include:
 - location of windows and openings in relation to the path of the sun to minimize solar gain in the summer and maximize solar gain in the winter;
 - use of “thermal mass,” earthen materials such as stone, brick, concrete, and tiles that absorb heat during the day and release heat at night;
 - “burying” part of the home in a hillside or berm to reduce solar exposure or to insulate the home against extremes of temperature;
 - use of window coverings, insulation, and other materials to reduce heat exchange between the interior of a home and the exterior;
 - location of openings and the use of ventilating devices that take advantage of natural air flow (particularly cool evening breezes); and
 - use of eaves and overhangs that block direct solar gain through window openings during the summer but allow solar gain during the winter.
- 2 Building orientation that uses natural forces to maintain a comfortable interior temperature. Examples include:
 - north-south orientation of the long axis of a dwelling;
 - minimizing the southern and western exposure of exterior surfaces; and
 - location of dwellings to take advantage of natural air circulation and evening breezes.
- 3 Use of landscaping features to moderate interior temperatures. Such techniques include:
 - use of deciduous shade trees and other plants to protect the home;
 - use of natural or artificial flowing water; and
 - use of trees and hedges as windbreaks.

In addition to natural techniques that have been used for millennia, a number of modern methods of energy conservation have been developed or advanced during the present century. These include:

- use of solar energy to heat water;
- use of solar panels and other devices to generate electricity;
- window glazing to repel summer heat and trap winter warmth;
- weather-stripping and other insulation to reduce heat gain and loss; and
- use of energy efficient home appliances.

State Building Code Standards

Policy H3.5 of the City's 1995 Housing Element requires compliance with Title 24 as discussed below. Compliance with Title 24 will enable homeowners to reduce energy consumption.

The California Energy Commission was created in 1974 by the Warren-Alquist State Energy Resources Conservation and Development Act (Public Resources Code 25000 et seq.). Among the requirements of the new law was a directive for the Commission to adopt energy conservation standards for new construction. The first residential energy conservation standards were developed in the late 1970s (Title 24, Part 6 of the California Code of Regulations) and have been periodically revised and refined since that time.

Residential site design and construction techniques that can reduce the amount of energy used for space cooling would significantly reduce overall energy demand. As discussed above, a number of traditional and modern techniques can decrease energy used for space cooling, including:

- the orientation of buildings and windows with respect to the path of the sun;
- landscaping to shade and insulate buildings;
- insulation in walls and ceilings;
- thermal mass to absorb solar energy during the day and release it at night; and
- window treatments to reduce solar gain during the day.

The city's abundant sunshine provides an opportunity to use solar energy techniques to generate electricity, heat water, and provide space heating during colder months, as well. Natural space heating can be substantially increased through the proper location of windows and thermal mass.

ATTACHMENT B

Housing Element Goals, Policies and Programs

March 2003

Goals, Policies and Programs

It is the intent of the City to maintain high quality residential neighborhoods, promote the production and maintenance of housing in order to satisfy the housing needs of its residents, and accommodate a fair share of the region's future housing needs for all income levels. Within this overarching objective, the Housing Element establishes the following goals, policies and programs to address development, maintenance and improvement of housing in the community consistent with Sierra Madre's identified housing needs.

Goal H1 To maintain existing, stable residential development patterns while balancing residential, commercial, institutional and industrial land uses in order to provide a diverse economic base.

Policy H1.1 Residential development will be included in economic development planning, and the City will encourage the inclusion of market-rate housing in residential projects in the downtown area.

Program 1.1.1: Adopt a Specific Plan for East Montecito Avenue to implement the Artisan Mixed Use land use designation and encourage the creation of live-work spaces and affordable residential opportunities. Provide regulatory and economic incentives to encourage re-use of existing structures, preservation of existing residential structures, and new development on vacant parcels.

Purpose: Montecito Avenue, East of Baldwin Avenue is a transitional area of older commercial and industrial buildings, residential structures, and vacant lots. Many structures are in deteriorated condition. The City hopes to upgrade this district by encouraging private investment in residential and commercial activities through the creation of mixed use live-work spaces, as well as expanded freestanding multi-family housing opportunities. Live-work spaces allow an individual to purchase or lease building space that serves as both a residence and a work location. Such spaces are often used by artists, professionals, and others who operated small, home-based businesses but whose needs cannot be met in a traditional residence. Live-work spaces, by combining residence and work spaces, can reduce overall housing and business costs by creating flexible spaces that typically have fewer fixed amenities than traditional dwelling units and can be configured to meet each individual's needs.

In order to specifically encourage residential/commercial mixed use in this area, the City will develop flexible development standards within the Specific Plan. For example, flexible parking standards will be provided for housing which is combined with commercial, office or light industrial uses. Other incentives to be offered include: elimination of floor area ratio requirement; fee waivers; expedited processing; and incentives for combining lots which meet the reuse goals of identified properties.

<u>Responsible Department:</u>	Development Services
<u>Time Frame:</u>	Reinitiate the East Montecito Specific Plan process in fall of 2002. Develop package of regulatory and financial incentives and adopt Plan by year end 2003.
<u>Funding:</u>	Community Development Block Grant Program, Small Business Administration
<u>Objective:</u>	Adoption of Specific Plan and incentives programs.

Program 1.1.2: Implement the Residential Entrepreneur General Plan land use designation through creation of a mixed-use zone (reference Program 1.1.3 below) along the perimeter of the existing commercial downtown area, which would be suitable for residential and limited business uses. Provide a density bonus that is the same as all residential zones (see Program 1.2.1 below) and for projects as an incentive for providing residential units.

Conduct a study that identifies the sites and potential number of dwelling units from the application of a mixed-use zoning policy.

Purpose: Combining uses in a single development can act as a “transition zone” between commercial or manufacturing and residential development. By increasing the development opportunities of both commercial and residential property, the City may realize additional square footage of both uses. This will assist in meeting affordable housing requirements as well as increasing the tax base.

Responsible Department: Development Services

Time Frame: Current Zoning Code provision. Implement conforming zoning map amendments; complete study and identify potential sites and number of dwelling units by December 2003.

Funding: N/A

Objective: Implementation of conforming zoning ordinance and map amendments. Provide information to prospective landowners and developers of affected properties.

Program 1.1.3: Pursuant to the City’s General Plan Land Use Element, amend the Zoning Code to allow residential uses at the rear of, and above, the first floor of properties within the Commercial land use designation. Provide a density bonus and/or other incentives for providing residential units. Other incentives may include, but not be limited to, fee waivers, reductions, or deferrals, reduction of parking standards (see Programs 1.2.2 and 1.2.5), and development subsidies (such as the use CDBG funds or redevelopment funds).

Purpose: By allowing a mix of uses in the commercial zone, the City may achieve additional housing opportunities while increasing the usage of the downtown area by the residents that live there.

Responsible Department: Development Services

Time Frame: Adopt a Zoning Code amendment by the end of December 2003.

Funding: N/A

Objective: Adoption of a conforming zoning ordinance and map amendments. Provide information to prospective landowners and developers of affected properties.

Program 1.1.4: Through a combination of strategies, accommodate the City’s RHNA, the City’s “fair share” of regional housing needs as determined by the Southern California Association of Governments. The RHNA for 1998 through 2005 is:

Very Low-Income:	15 units (17%)
Low-Income:	13 units (15%)
Moderate-Income:	17 units (19%)
Above Moderate-Income:	44 units (49%)

The strategies the City will pursue to accommodate its regional share for all income groups are:

- a. Designation of vacant sites in residential areas for additional housing (see Section C-1 of the Housing Needs Assessment Report);
- b. Zoning for mixed residential and commercial uses in commercial transitional areas surrounding downtown;
- c. Permitting residential uses in commercial zones on the second floor or behind commercial uses;
- d. Legalizing and approving existing second units pursuant to Program 1.2.4;
- e. Amending the Zoning Code to permit manufactured or modular homes under the same conditions in the R-2 zone as now allowed in the R-1 zone;
- f. Providing land assembly and write-down through the Redevelopment Agency, combined with flexible development standards to achieve 46 units of lower income senior housing;
- g. Utilizing density bonuses as a tool to provide affordable multi-family units;
- h. Eliminating the CUP requirement for affordable multi-family housing; and
- i. Providing rental rehabilitation assistance in exchange for long-term affordability and income restriction agreements on substandard rental dwellings that are not currently income restricted.

Purpose: To provide a variety of options for increasing the supply of housing in Sierra Madre to meet its share of the region's housing needs, including housing affordable to low- and moderate-income households.

Responsible Department: Development Services
Time Frame: Varies by specific program. Refer to *Programs 1.1.1 – 1.1.3, 1.2.4, 3.1.1, 3.1.2*
Funding: General Fund
Objective: Accommodate at least 89 additional dwelling units between 1998 and 2005, including 15 very low income, 13 low income and 17 moderate income units.

Policy H1.2 The City will provide density bonuses and other incentives for low-income housing or housing for seniors or the disabled.

Program 1.2.1: Pursuant to State law, a density bonus of at least 25% along with at least one additional regulatory incentive shall be made to a developer agreeing to construct housing projects with at least 20% lower income units, 10% very-low income units or 50% senior citizen units. This program calls for the City to adopt a local density bonus ordinance consistent with State law and which specifies regulatory incentives to be offered in addition to density increases. The ordinance will also incorporate a second tier of density incentives awarded for "good design" for projects in the R-3 and R-P zones.

Purpose: Density bonus programs encourage the inclusion of affordable units in market rate projects. These projects are typically well integrated into the community. While the City approved a density bonus in conjunction with the Senior Housing Specific Plan, it did so under the State statutes rather than a local ordinance. Adoption of a local density bonus ordinance will allow the City to better market and utilize development incentives to achieve affordable housing goals, such as in the East Montecito Specific Plan area. Incorporation of the City's current design density bonus as a second tier of incentives will continue to provide a tool to encourage quality multi-family development, while ensuring compliance with State density bonus requirements for affordable housing.

Responsible Department: Development Services
Time Frame: Adopt a local density bonus ordinance in 2003.
Funding: N/A
Objective: Provide incentives for development of affordable housing units. Market this in conjunction with Programs 1.1.1 and 1.2.2 below.

Program 1.2.2: A reduction of parking requirements will be allowed for multi-family projects developed for senior citizens and the disabled and for housing in the downtown and other commercial areas under the following circumstances:

- The developer can show, based on demographic studies, empirical evidence from other communities, or other acceptable means that residents will have fewer personal vehicles; and/or,
- That shared parking is available from nearby commercial or other uses that will meet the needs of project residents.

In addition, the City will develop modified parking standards for mixed use development as part of the East Montecito Specific Plan (Program 1.1.1) and through establishment of the new mixed use zoning category (Program 1.1.2).

Purpose: The provision of parking is the most difficult aspect of new construction. Parking requires a great deal of land. When land at grade is exhausted, parking is provided in subterranean garages, which adds significant costs to development. It can be shown that seniors and the disabled, as a group, possess fewer vehicles than the rest of the population and therefore the reduction in required parking makes the provision of housing for these special populations more feasible. In addition, mixed use projects typically require parking at different times of the day and night, and can therefore benefit from shared parking.

Responsible Department: Development Services
Time Frame: Amend the Zoning Code in 2003.
Funding: N/A
Objective: Facilitate the development of affordable housing in the City. Market this in conjunction with Program 1.2.3 below.

Program 1.2.3: Waive or defer planning and building fees for affordable housing projects subsidized by the City of Sierra Madre. Amend the Zoning Code to allow for fee waivers or deferrals when necessary to ensure:

- The financial feasibility of an affordable housing proposal;
- The fees are consistent with the likely demands of an affordable housing project; and,
- That fees are a reasonable proportion of the cost of an affordable housing unit.

Purpose: To reduce project costs and encourage affordable housing construction.

Responsible Department: Development Services
Time Frame: Amend the Zoning Code by the end of December 2001.
Funding: General Fund; redevelopment funds.
Objectives: N/A

Program 1.2.4: Amend and implement a Second Unit Ordinance pursuant to State Law.

Purpose: Sierra Madre residents have identified that additional density in single-family areas through the provision of attached second units and for the purposes described in the State Law regarding second units is less impacting than consolidated density on individual lots.

The Zoning Code permits second units for "Granny Hospices" for persons 60 years of age or more. A significant number of second units are believed to exist in the City that have not been approved by permit and have not been verified to meet applicable zoning and building code requirements for dwelling units.

The City will amend its second unit ordinance (Chapter 17.22 of Title 17 of the Sierra Madre Municipal Code) to eliminate the requirement that occupants be 60 years of age or more. The City will establish new standards for second units, which may be occupied by individuals of any age provided the unit meets ALL of the following conditions:

1. Second units must be attached to the primary dwelling unit and may only be rented to households earning no more than 120% of the Los Angeles County median, adjusted for household size, as published annually by the U.S. Department of Housing and Urban Development.
2. Second units will only be permitted in R-1-11 and R-1-15 zones.
3. A maximum floor area will be established to limit second units to studio or one-bedroom units.
4. Properties with second units must meet all applicable zoning standards for minimum yards and setbacks, maximum height and lot coverage, parking, and other requirements for the zone in which the property is located.
5. Second units must meet all applicable building code requirements.

6. Second units must be designed so that there is no entry to the unit visible from a public right-of-way.

In addition, the City will implement a code enforcement "amnesty" program that will seek to bring existing second units into compliance with zoning and building requirements so that these units can be counted as part of the City's housing stock. The amnesty program will consist of information sent to single family property owners notifying them of the Zoning Code changes and their obligation to obtain the appropriate permits for second units.

A specific time frame will be given for bringing second units into compliance with zoning and building code requirements. After the amnesty period has ended, the City will verify the presence of second units and compliance with zoning and building requirements on a permit, inspection, or complaint action basis. This means that, whenever:

- A zoning or building permit or approval is required;
- A City inspection action is triggered; or,
- The City responds to a complaint regarding a single-family property. The City will verify the presence of a second unit and whether the unit complies with zoning and building permit requirements.

The City will promote its second unit requirements and amnesty program through a mailing to property owners in the City's utility bill, flyers available at City hall, and announcements, as appropriate, at one or more Planning Commission or City Council meetings, which are televised on local public access cable.

The City will annually monitor the number of second unit permit requests and approvals and amnesty requests and approvals. If the number of new and legalized second units is substantially less than the objective for this program by 2005, the City will evaluate the factors affecting the actual number of approvals and examine additional incentives that could be offered to achieve second unit affordable housing objectives during the subsequent five-year planning period. Such incentives could include, but would not be limited to, 1) fee waivers, reductions, or deferrals, and 2) parking reductions for small second units (studio and one-bedroom units) that, by nature of occupancy and/or unit size, are not likely to require two parking spaces.

Responsible Department:

Development Services

Time Frame:

Amend the Zoning Code in mid 2003. Implement the code the enforcement amnesty program and promote the program by the end of 2003. Re-assess program by the end of 2004, and provide additional incentives as necessary.

Funding:

General Fund.

Objective:

Provide more housing choices for residents in the City. Approve an average of 5 second unit permits per year, for a total of 12 units between 2003-2005. Of these units, 4 are anticipated to be affordable to low-income households and 8 to moderate-income households.

Program 1.2.5: Allow for flexible dwelling unit sizes by eliminating minimum dwelling square footage standards in the Zoning Code.

Purpose: The Zoning Code presently requires a minimum lot size of 7,500 square feet and a minimum dwelling unit size of 1,250 square feet. Land values and development costs within Sierra Madre make it unlikely that a reduction in these zoning standards will provide sufficient economic incentives to produce single family housing affordable to low- or moderate-income first-time homebuyers. However, there are legal lots of record that presently exist throughout the community which are smaller than the current minimum lot area requirement stated within the Zoning Code. These lots may represent an opportunity to provide single-family housing at costs lower than single-family residences constructed on lots complying with the current minimum lot area. Therefore, the City will allow flexibility through a planned development process to be included in the Zoning Code when the proposed development is:

- On a lot of sufficient size, in a location consistent with surrounding lot sizes, or in a commercial or transitional area so that alternative standards will not impact surrounding single family residential uses;
- Will meet City parking requirements; and,
- Requires alternative dwelling unit size standards to achieve the affordability objectives of the proposal.

Responsible Department: All
Time Frame: Amend the Zoning Code by December 2003. Implement thereafter.
Funding: N/A
Objective: Provide incentives for new home construction. Implement in conjunction with Policy H1.3 below.

Policy H1.3

Streamline permit processing.

Program 1.3.1: To the extent feasible, and consistent with the intent of the City's zoning and other development regulations, provide a "one-stop" permit process with concurrent processing of multiple permits/approvals to reduce the overall time required to obtain residential development approval and better coordinate such approvals among City departments.

Purpose: To reduce total permit processing time.

Responsible Department: All
Time Frame: Current and ongoing.
Funding: N/A
Objective: N/A

Program 1.3.2: Eliminate the Conditional Use Permit (CUP) requirement for affordable multi-family projects.

Purpose: The City's Zoning Code currently requires a CUP for multi-family development in R-3 and R-P zone districts. In order to shorten review times and better facilitate production of affordable housing, the City

will amend the Zoning Code to eliminate the CUP requirement for projects which include deed-restricted affordable units. The City implemented this approach in the Sierra Madre Senior Housing Specific Plan by waiving the CUP process for both the senior housing and multi-family component.

Responsible Department: Development Services
Time Frame: Amend the Zoning Code by 2003.
Funding: N/A
Objective: N/A

Goal H2

Protect, preserve and rehabilitate the existing housing stock.

Policy H2.1

Continue to implement a home rehabilitation program to allow homeowners and lower-income tenants secure low interest loans in order to make home repairs and improvements.

Program 2.1.1a: “Handy worker” program using community development block grants.

Purpose: This program provides direct funding for improvements to the existing housing stock of low-income persons to make repairs of substandard conditions.

Responsible Department: Development Services
Time Frame: Current ongoing
Funding: Community Development Block Grant
Objective: 20 homes for low-income occupants between 2000 and 2005, of which 5 would be very low-income and 15 low-income.

Program 2.1.1b: Housing rehabilitation program for persons of moderate-, low-, and very-low incomes.

Purpose: This program will provide direct funding for improvements to existing housing stock for repairs to bring homes up to standard.

Responsible Department: Development Services
Time Frame: Current and ongoing
Funding: Redevelopment
Objective: Assistance for 10 units between 2000 and 2005; 5 very-low income and 5 low-income households.

Policy H2.2

Stabilize the City’s housing tenure by preserving multi-unit residences.

Program 2.2.1: Maintain restrictive standards for condominium conversions to reduce the risk of loss of rental units to condominium conversions.

Purpose: To preserve sound rental housing units that are affordable to low and moderate income households.

Responsible Department: Development Services
Time Frame: Current and ongoing
Funding: General Fund

Objective: Require findings of no impact on the affordable housing stock, inclusion of right of first refusal for existing tenants, and relocation fees.

Policy H2.3

Interpret City codes to preserve City's housing stock.

Program 2.3.1: Clarify that existing housing is legally constructed on properties which are not designated as single family properties when the density is consistent with the land use designation and the units are determined to be safe and habitable.

Purpose: This program is intended to preserve existing homes constructed on properties that are not currently zoned for single-family residential use, but which are appropriate to be maintained for that use. The City will permit such homes to be maintained, rehabilitated, and reconstructed provided such activities do not create non-conformity or increase an existing non-conformity. This program does not restrict the ability of property owners from converting a parcel in a multifamily or other zone that permits multifamily housing from a single-family use to a multifamily use.

Responsible Department: Development Services
Time Frame: Adopt a Zoning Code amendment in 2003.
Funding: General Fund
Objective: Preserve existing single-family homes

Program 2.3.2: Provide proactive, solution-oriented code enforcement for residential properties in the following ways:

1. Disseminate information to property owners regarding property maintenance as a factor in neighborhood quality.
2. Develop interdepartmental coordination in identifying alternatives to legal action against residential property owners.
3. Provide ample time to correct deficiencies in multi-family structures to *minimize* the displacement of renters.

Purpose: By focusing code enforcement efforts on assisting with solutions, the City lessens several risks of aggressive enforcement. First, owners that are unable to make repairs and corrections can be forced to abandon or foreclose on property. This is not positive for the City. In addition, property owners may choose to demolish the property to get out from under a legal battle.

Responsible Department: Police/Development Services
Time Frame: Ongoing
Funding: General Fund
Objective: N/A

Policy H2.4

Reduce incentives for demolition of existing structures.

Program 2.4.1: Lower thresholds for reconstruction of existing structures without bringing property into compliance with zoning requirements. This

lower threshold would apply to all housing units, whether or not on the City's historic list.

Purpose: Historically, the City has only allowed the rebuilding of a non-conforming structure that has been damaged by a natural act if less than fifty percent (50%) of the value of the structure remains. When property owners are told they must rebuild according to new zoning codes, they are not likely to rehabilitate the existing structure. Rather, they will demolish the structure and build a new structure. By allowing for reconstruction of any structure destroyed in a natural act, there is a greater likelihood that the structure will be reconstructed. Current Zoning Code provisions provide for a lower threshold for historic structures. This proposed amendment would broaden the application of the lower threshold to all residential structures.

Responsible Department: Development Services
Time Frame: Adopt a Zoning Code amendment in 2003.
Funding: General Fund
Objective: Prevent demolition of four (4) existing units.

Policy H2.5 Require that new housing development is compatible with the neighborhood in which it is located.

Policy H2.6 Require new housing to be designed in a manner that improves safety on the street and in the neighborhood.

Program 2.6.1: Street-oriented design; Safety through design.

Purpose: The orientation of residential structures as well as other design features lead to safer streets.

Responsible Department: Development Services
Time Frame: Current and ongoing.
Funding: N/A
Objective: N/A

Policy H2.7 Encourage re-use of existing properties where feasible.

Program 2.7.1: Incentives program for preservation of historic structures with the following components:

1. Change of use to allow greater densities.
2. Relaxation of zoning development standards to make preservation and new construction feasible.
3. Allow and encourage use of building materials and design standards that reflect the city's scale and historic nature.
4. Amend the Zoning Code to provide for the waiving or deferral of planning and building fees as appropriate and needed, for renovation of historic properties.

Purpose: Preservation of existing structures and providing additional housing opportunities.

Responsible Department: Cultural Heritage Commission

Time Frame: Current and ongoing
Funding: General Fund
Objective: Re-use of 10 properties which would otherwise be demolished.

Goal H3 Develop supply and demand side programs to ensure housing affordability and availability for all income levels giving special consideration to housing for senior citizens, the disabled, single parents and first-time homebuyers.

Policy 3.1 Pursue participation between the City and private developers and /or non-profit housing developers for the implementation of the City's housing goals.

Program 3.1.1: Use Twenty-percent (20%) side-aside redevelopment agency funding to assist in development of rental housing for lower income senior citizens capable of independent living.

Purpose: The 2000 Senior Master Plan identifies the need for independent living options for the City's significant senior population, many of whom are on limited fixed incomes. In response to this need, in August 2002, the City adopted the Sierra Madre Senior Housing Specific Plan which provides entitlement for 46 rental units affordable to lower income seniors. The Redevelopment Agency played an instrumental role in this project, assembling four separate parcels at a cost of over \$1.4 million for conveyance to the non-profit developer Accessible Housing Corporation via a ground lease. The City also allowed for increased height and densities, reduced parking and setbacks to minimize development costs and enhance project affordability.

Responsible Department: Development Services
Time Frame: Adopt Specific Plan in 2002. Initiate development in early 2003, with project completion in early 2004.
Funding: Redevelopment set-aside, CHFA
Objective: 46 rental units for age 55+ seniors - 10 very low income and 36 low income.

Program 3.1.2: Utilize the Specific Plan process and density bonus program to achieve a multi-family project which assists in meeting the housing needs of City employees, fire fighters and other low and moderate income groups in need.

Purpose: The Sierra Madre Senior Housing Specific Plan also provides for development of six multi-family units on two privately owned parcels, with one unit designated for lower income use. In addition to increased densities, the Specific Plan provides for reduced side and rear yard setbacks. Development of this portion of the Plan will occur concurrently with the senior housing.

Responsible Department: Development Services
Time Frame: Initiate development in early 2003 with project occupancy in early 2004.
Funding: General Fund
Objective: 6 multi-family units – 1 low income

Policy H3.2

Participate in programs that assist first-time buyers.

Program 3.2.1: Coordinate with the Los Angeles County Community Development Commission in the Mortgage Credit Certificate Program.

Purpose: The MCC program provides assistance to the first-time homebuyer by allowing an eligible purchaser to take up to twenty percent (20%) of his or her annual mortgage interest payment as a dollar-for-dollar tax credit against federal income tax. The City of Sierra Madre is unable to implement such a program on its own given the application requirements.

Responsible Department: Los Angeles County Community Development Commission.

Time Frame: Depends on whether additional funds are available through LA County between 2001 and 2005.

Funding: California Debt Limit Allocation Committee

Objective: Assistance for first-time homebuyers. A quantified objective is not provided given the uncertainty of available funds.

Policy H3.3

Improve housing choices for those elderly, handicapped or low-income families needing assistance in obtaining suitable housing.

Program 3.3.1: Participate in the Los Angeles County Community Development Commission "Section 8" Housing Assistance Payments Program (HAPP).

Purpose: The "Section 8" rent subsidy program provides payment assistance to renters overpaying, and assists tenants with finding affordable, decent, and safe housing. Although the City will regularly meet with officials from the County Housing Authority regarding opportunities for the use of Section 8 Certificates in Sierra Madre, given local housing costs, it is not likely that very many rental units would fall within the maximum rents that may be charged under this federal program.¹

Responsible Department: Development Services

Time Frame: Meet with County Housing Authority by November 2001 to determine the likelihood of rental units in Sierra Madre being eligible for Section 8 programs.

Funding: Federal Department of Housing and Urban Development

Objective: To ensure affordable housing availability for all income levels in the City. No quantified objective is provided for this program until the City can meet with Housing Authority representatives.

¹ The Section 8 Program is a federal program that provides certificates or vouchers to low-income renters, or certificates that are assigned to designated low-income rental dwelling units. The certificates or vouchers guarantee that the federal government will pay the difference between the rent charged by the owner of the rental unit (up to a limit called the "fair market rent") and a percentage of the renter's income. Although a federal program, the Section 8 Program is administered by state and local housing agencies.

Policy H3.4

Accommodate needs for transitional or emergency housing within the City of Sierra Madre.

Program 3.4.1: Amend the Zoning Ordinance to allow for temporary emergency shelter in any of the existing institutional structures in the City that would like to provide such shelter, and to permit homeless shelters in the C-Commercial, M-Manufacturing, and I-Institutional Zones should the need arise for such a facility in Sierra Madre. The City will require a conditional use permit for any structure used for emergency shelter so that management of shelters, hours of operation, the provision of on-site supportive and social services, security, and other operational issues can be appropriately regulated to minimize negative impacts on surrounding properties and to ensure that the proposed shelter addresses an unmet need in the City that cannot be accommodated by existing emergency shelter providers.

Purpose: The City allows for the temporary use of existing institutional facilities, such as church halls and school auditoriums as emergency shelter for individuals and families as the needs arise. This program will in addition allow homeless shelters and related supportive services in C-Commercial, M-Manufacturing, and I-Institutional Zones. This program will facilitate the use of appropriate sites or structures for emergency shelter by permitting a wider range of locations to be considered, while protecting the community against the impacts of such land uses. Conditions placed on emergency shelters will be limited to ensuring the livability and compatibility with surrounding uses tied to the use and not the user, and will not be used as a constraint to the provision of such facilities.

Responsible Department: Development Services
Time Frame: Amend the Zoning Code in 2003.
Funding: General Fund
Objective: Provide emergency shelter as needed.

Program 3.4.2: Amend the Zoning Ordinance to allow for transitional housing² to be listed as a conditionally permitted use in the C-Commercial, M-Manufacturing, and I-Institutional Zones. The City will establish conditions for approval on a case-by-case basis for management of transitional housing, the provision of on-site supportive and social services, security, and other operational issues to minimize negative impacts on surrounding properties and to ensure that the proposed transitional housing addresses an unmet need in the City that cannot be accommodated by existing housing providers.

Purpose: Allow for the utilization of sites in Commercial, Manufacturing and Institutional Zones to accommodate the need for transitional housing. This program will facilitate the use of appropriate sites or structures for transitional housing by permitting a wider range of locations to be considered, while protecting the community against the impacts of such land uses.

Responsible Department: Development Services

² Transitional housing is a form of short- to mid-term shelter (such as from 30 days to six months) that provides a residential environment with supportive services for individuals and families making the transition from homelessness to conventional housing.

Time Frame: Amend the Zoning Code in 2003.
Funding: N/A
Objective: Provide emergency shelter as needed.

Program 3.4.3: Provide public information at City Hall and the Police Station regarding emergency shelters located in the Pasadena area. Provide transportation by way of a bus token or police escort for individuals in need of those services.

Purpose: To provide information on homeless shelters and supportive services in the vicinity.

Responsible Department: All City Departments that have public counters.
Time Frame: Current and ongoing
Funding: N/A
Objective: To provide information and assistance to Sierra Madre residents in need of emergency shelter.

Policy H3.5

Reduce residential utility costs.

Program 3.5.1: Title 24 Compliance – reduce energy use in new housing construction.
Purpose: To reduce energy use and associated costs in new housing construction. The City enforces provisions of state building standards during the building permitting and inspection process. In addition, the City encourages the use of energy conserving site designs and landscaping techniques in new construction.

Responsible Department: Development Services
Time Frame: Current and ongoing
Funding: Building permit fees
Objective: N/A

Program 3.5.2: Establish a low-income exemption for utility user tax and water surcharge.

Purpose: Provide an exemption of payment of local taxes and fees based on Federal Poverty Guidelines and income levels used by Southern California Edison (Edison International), or The Gas Company.

Responsible Department: Financial Services
Time Frame: Current and ongoing
Funding: General Fund
Objective: Provide public information regarding the program and allow the exemption for all who meet the qualifications, at least 20 households.

Policy H3.6

Assure equal access to housing for all persons regardless of ethnicity, age, sex, religion, disability, or marital status.

Program 3.6.1: Participate in the programs offered by the San Gabriel Valley Fair Housing Council (SGVFHC). In conjunction with the SGVFHC, create and implement an outreach program to educate City residents of

their rights under fair housing law. Publicize the location of the San Gabriel Valley Fair Housing Council. The City will publicize fair housing rights by distributing informational flyers produced by SGVFHC at City Hall and Library, annual distribution of information to local schools, hosting of an annual fair housing event with participation by SGVFHC, and periodical announcements at City Council meetings, which are televised through local public access cable.

Purpose: The Fair Housing Council actively promotes affordable, nondiscriminatory housing through outreach, education and counseling. The Council also investigates matters of discrimination pursuant to federal and state anti-discrimination laws.

Responsible Department: Development Services
Time Frame: Ongoing. Distribute informational flyers beginning May 2001. Plan and implement an annual fair housing event with SGVFHC beginning Fall 2001. Provide fair housing announcements at appropriate City Council meetings quarterly.
Funding: CDBG
Objectives: N/A

Program 3.6.2: Pursuant to SB 520, jurisdictions are required to analyze constraints to the development of housing for persons with disabilities and take measures to remove the constraints. Sierra Madre has conducted an initial review of zoning code and building code requirements and has not identified any barriers to the provision of accessible housing. However, the City will undertake a more detailed analysis within one year to confirm that no such constraints exist.

To specifically address the requirements of SB 520, the City will undertake the following actions:

Conduct an analysis of zoning code and building code regulations to identify potential constraints to the development or rehabilitation of housing for persons with disabilities.

Modify regulations as appropriate to remove governmental constraints, or provide reasonable accommodations for housing designed for persons with disabilities.

As part of the City's annual review of the Housing Element, report to HCD on the findings of the zoning and building code analysis.

Purpose: To ensure housing accessibility to persons with disabilities in both new construction and existing housing.

Responsible Department: Development Services
Time Frame: Conduct zoning and building code analysis by 2003, and mitigate any identified constraints by 2002.
Funding: N/A
Objectives: N/A

Goal H4 Ensure that housing availability is addressed at the regional level.

Policy H4.1 Participate actively in the process of addressing regional fair share housing requirements.

Program 3.4.1: Attend meeting of regional agencies including the Southern California Association of Governments and the San Gabriel Valley Council of Governments.

Purpose: Sierra Madre is a small city within a much larger urban region. Even the slightest percentage growth affects the City. By participating in discussions regarding allocations of housing requirements, the City can better predict its ability to provide housing.

Responsible Department:	Development Services
Time Frame:	Current and ongoing
Funding:	General Fund
Objective:	Improve regional communication and cooperation.

ATTACHMENT C

Public Participation

ATTACHMENT C

1998 – 2005 Housing Objectives

Category	Very Low	Low	Moderate	Above Moderate	Total
Accommodate Regional Share	15	13	17	44	89
Assisted New Construction*	10	37	5	N/A	47
Second Units	N/A	4	8	N/A	12
Rehabilitation/Conservation	10	20	10	N/A	40
Preserve Affordable Rentals**	100	700	N/A	N/A	800

- * Includes 46 unit senior project, and 1 low income density bonus unit
- ** Estimated of number of units affordable to the lowest income level—all units affordable to lower income levels are also affordable to higher income levels.

ATTACHMENT D

Public Participation

The City of Sierra Madre conducted an extensive public outreach effort that included notices posted in public places throughout the community, mailed notices to community organizations and interested individuals, printed notices in a local newspaper, and public announcements on the local public access cable television channel. Because Sierra Madre is a small community, these methods of notice have proven to be effective in the past in providing a high level of awareness and public outreach on civic events.

To involve the public in the process of preparing the Housing Element, the City conducted a joint City Council-Planning Commission workshop in May 2000 and conducted three Planning Commission Hearings on the draft Housing Element in August and September of that year. Two City Council public hearings on the draft Housing Element were conducted in November and December 2000, and a subsequent public hearing to review State Department of Housing and Community Development (HCD) comments on the draft and adopt a final Housing Element was conducted in April 2001.

The workshop and each of the public hearings was broadcast on the local public access cable television channel so that members of the community who could not attend the meetings in person still had an opportunity to see the presentation and provide written comments to the City.

The City initiated a revision to the Housing Element in mid 2002 to address outstanding State HCD comments and to reflect the City's first affordable housing development – the 46 unit Sierra Madre Senior Housing. Public study sessions were conducted with the Planning Commission and City Council in the fall of 2002 on the revised Housing Element prior to submittal to HCD. Specific organizations representing low income and special needs populations contacted during this public outreach effort, as well as Planning Commission and City Council public hearings for adoption of the Element conducted in March of 2003 include:

- ✓ CLIMB, Center for the Blind
- ✓ Foundation for Quality Housing Opportunities
- ✓ Habitat for Humanity, San Gabriel Valley Chapter
- ✓ Sierra Madre Skilled Nursing Facility
- ✓ Bethany Church
- ✓ Church of the Ascension
- ✓ Foothill Center of Religious Science
- ✓ Passionist Community Monastery Retreat House
- ✓ Sierra Madre Congregational Church
- ✓ Sierra Madre United Methodist Church
- ✓ St. Rita's Catholic Church

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